



Financial Statements and  
Reports Required by Uniform Guidance

# Norman Independent School District No. 29

June 30, 2023

Norman Independent School District No. 29

Cleveland County, Oklahoma

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June 30, 2023

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## Independent Auditor's Report

To the Board of Education  
Norman Independent School District No. 29  
Norman, Oklahoma

### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Norman Independent School District No. 29 (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Norman Independent School District No. 29, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Norman Independent School District No. 29 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Correction of Error***

As discussed in Note 15 to the financial statements, certain errors resulting in an understatement of amounts previously reported for capital assets as of June 30, 2022, were discovered by management of the District during the current year. Accordingly, a restatement has been made to the District's net position as of July 1, 2022, to correct the errors. Our opinions are not modified with respect to that matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Norman Independent School District No. 29's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Norman Independent School District No. 29's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Norman Independent School District No. 29's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America requires that the management's discussion and analysis, the budgetary comparison schedules – General Fund, the schedule of the District's proportionate share of the net pension liability, schedule of the District's contributions - pension, the schedule of the District's proportionate share of the net OPEB liability (asset), and the schedule of the District's contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Norman Independent School District No. 29's basic financial statements. The combining nonmajor fund financial statements; the combining schedule of changes in assets and liabilities – all activity funds; and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal *Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements; the combining schedule of changes in assets and liabilities – all activity funds; and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison schedule – Building Fund; the budgetary comparison schedule – Child Nutrition Fund; the schedule of statutory, fidelity and honesty bonds; and schedule of accountant's professional liability insurance affidavit but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2024 on our consideration of the Norman Independent School District No. 29's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Norman Independent School District No. 29's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Norman Independent School District No. 29's internal control over financial reporting and compliance.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP".

Oklahoma City, Oklahoma  
January 16, 2024

This section of Norman Independent School District's (NISD or the District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. Please read it in conjunction with the District's financial statements, which immediately follow this section.

These statements reflect the implementation of GASB statements 68 and 71 all addressing the accounting and presentation of pension plans which impacts the district-wide financial statements but not the fund financial statements for both years presented. For the District, this includes the District's portion of the unfunded liability of the Oklahoma Teachers Retirement System (OTRS) to the district-wide financial statements. While the implementation of these standards have had a significant impact on the statements by decreasing net position, management does not believe that it indicates a true negative impact on the financial condition of the institution.

### FINANCIAL HIGHLIGHTS

- The District's financial status increased by approximately \$23.3 million from last year (including the restatement to FY2022's net position). Total net position increased approximately 20 percent over the course of the year.
  - Overall revenues were \$203.6 million and overall expenses were \$180.3 million in FY2023. This is compared to FY2022 revenues of \$199.1 million and expenses of \$171.0 million.
  - The District's portion of the net pension liability increased by \$35.7 million to \$119.1 million due to actuarial factors relates to the calculation of the net pension liability Oklahoma Teachers Retirement System for the District.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts -- management's discussion and analysis (this section), the basic financial statements, and supplementary information (required and other). The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operation in more detail than the district-wide statements.
- The *governmental funds* statements tell how *basic* services like regular and special education were financed in the *short term* as well as what remains for future spending.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of supplementary information (required and other) that further explains and supports the financial statements with a comparison of the District’s budget for the year.

**Figure A-1  
 Major Features of District-Wide and Fund Financial Statements**

	<u>District-wide Statements</u>	<u>Fund Financial Statements Governmental Funds</u>
<b>Scope</b>	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building Maintenance
<b>Required financial statements</b>	1) Statement of net position 2) Statement of activities	1) Balance Sheet 2) Statement of revenues, expenditures, and changes in fund balances
<b>Accounting basis and measurement focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
<b>Type of asset/liability information</b>	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included
<b>Type of inflow/outflow information</b>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

Figure A-1 summarizes the major features of the District’s financial statements. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

**District-wide Statements**

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the District’s assets and liabilities. It also includes deferred inflows and deferred outflows related to the District. All of the current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. As stated above, the district-wide statements were significantly impacted by the implementation of new standards related to recording the District’s portion of the net pension liability.

The two district-wide statements report the District’s *net position* and how they have changed. Net position – the difference between the District’s assets plus deferred outflows of resources and liabilities plus deferred inflows of resources – is one way to measure the District’s financial health or *position*.



- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements, the District's activities are categorized as governmental activities.

- *Governmental activities* – The District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state aid formula finance most of these activities.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's *funds*, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (like repaying its long-term debts) or to show that it is properly using certain revenues.

The District's basic services are included in *governmental funds*, which generally focus on 1) how cash and other financial assets that can readily be converted to cash flow in and out and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information with the governmental funds statements that explain the relationship (or differences) between them.

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

**Table A-1**  
**Norman Public School's Net Position**  
 (in millions of dollars)

	FY2023	FY2022
Assets		
Current and other assets	\$ 88.2	\$ 88.2
Capital assets	325.0	334.4
Total assets	413.2	422.6
Deferred outflows of resources	40.9	42.3
Liabilities		
Current and other liabilities	13.4	13.7
Long term debt, including current maturities	160.1	186.4
Net pension liability	119.1	83.4
Total liabilities	292.6	283.5
Deferred inflows of resources	21.3	64.7
Net position		
Net investment in capital assets	181.3	165.0
Restricted	41.5	40.9
Unrestricted	(82.9)	(89.2)
	\$ 139.9	\$ 116.7

**Net Position**

As a result of the pension standards reflected in both fiscal years presented, the District's unrestricted net position is in a deficit position, decreasing the deficit by \$6.4 million in FY23 (See Table A-1). Again, management does not believe that this indicates a true negative impact on the financial condition of the institution.

The District's change in financial position is the product of many factors. A growth during the year in Federal and state grants, taxes, and state aid had a favorable impact on net position.

**Table A-2**  
**Changes in Norman Public School's Net Position**  
 (in millions of dollars)

	FY2023	FY2022
<b>Revenues</b>		
Program Revenues		
Charges for services	\$ 15.0	\$ 16.5
Federal and state grants	29.2	29.9
General revenues		
Property taxes	80.3	77.1
Other taxes	14.4	14.4
State entitlement	62.1	60.6
Other	2.7	0.6
<b>Total revenues</b>	<b>203.7</b>	<b>199.1</b>
<b>Expenses</b>		
Program expenses		
Instruction	88.2	85.5
Support services	68.5	59.6
Non-instruction	7.5	11.4
Interest on long-term debt	2.3	2.7
Depreciation - unallocated	14.1	11.8
<b>Total expenses</b>	<b>180.6</b>	<b>171.0</b>
 Increase (Decrease) in net position	 <b>\$ 23.1</b>	 <b>\$ 28.1</b>

**Changes in net position.** The District's total revenues increased \$4.5 million to \$203.6 million. (See Table A-2) Property taxes and state entitlement funds accounted for most of the District's revenue, with each contributing about 70 cents of every dollar raised. Another 14 percent came from state and federal aid for specific programs, and the remainder from fees charged for services and miscellaneous sources. Total revenues surpassed expenses, increasing net position by \$23.3 million.

The total cost of all programs and services increased by \$9.3 million between the two years largely due to the large fluctuation in the expense impact of the increase in the net pension liability. The District's expenses are predominantly related to educating and caring for students (80-90 percent). The purely administrative activities of the District accounted for less than 1 percent of total costs.

The most significant contributors to the fluctuation in net position were the funds used to purchase or build capital assets, and also the funds necessary for repayment of principal on long-term debt issues. Repayments on long-term debt this year were more than debt issued in FY23. The net pension liability and the related deferred inflows and outflows of resources also created significant fluctuations largely due to actuarial factors related to the liability.

### **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As the District completed the year, its governmental funds reported *combined* fund balances of \$66.7 million, compared to last year's ending fund balances of \$66.8 million. In comparison to FY22's net increase in fund balance of \$12.3 million, this year's decrease was \$115,000 largely due to insurance recoveries received in FY22.

#### **General Fund Budgetary Highlights**

At the beginning of the 2023 fiscal year, the District's State Entitlement funds (the State Aid Formula funds) were decreased by approximately \$260,000 from the previous fiscal year. This was due to no increase in state funding and a slight decrease in statewide WADM. This initial allocation in State Aid was increased by approximately \$1,800,000 in December, when the mid-term adjustments were made by the State Department of Education. Our district experienced 6.3% local growth in assessed valuation. Due to increased enrollment in 2022-23, our District's midterm State Aid funding was calculated using our 1<sup>st</sup> nine weeks higher enrollment.

- Actual revenues were higher than expected at mid-year, due largely to a high collection rate of property tax revenues. Also, county 4-mill, school land earnings and motor vehicle collections revenue increased.
- The actual expenditures were below budget, due primarily to continued reductions in non-salary administrative budget areas, and by expenditure budgets that remained unspent at June 30, 2023.

### **OTHER FUNDS**

Debt service fund activity was consistent with FY22 with revenues of \$31.5 million in FY22 and \$31.9 million in FY23. Expenditures were \$30.6 million in FY22 and \$31.2 million in FY23.

The Casualty/Flood Insurance Recovery fund was a new major fund in FY22 due to the large receipt of insurance proceeds in recovery of losses caused by previous weather events. Those funds are continuing to be spent in FY23.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

By the end of 2023, the District had invested in a broad range of capital assets, including site renovations/improvements, furniture and equipment, and vehicles.

The District anticipates spending approximately \$19 million for capital projects in 2024 with some of the major projects as follows:

- \$2.7 million for various school site improvements
- \$16 million for elementary school improvements

See additional information regarding Capital Assets in Note 3 to the Notes to the Financial Statements.

### **Long-term Debt**

At year-end the District had \$160.1 million in total long-term debt outstanding (including compensated absences and liabilities for leases and subscription-based arrangements). This is a decrease from last year's amount of \$186.4 million.

In February 2019, the District patrons voted on and approved a six-year bond issue. This issue, for \$186 million, is funded with lease revenue bonds. General obligation bonds will be sold for six years, to make the annual lease revenue payments required. The bond election called for an increase in the targeted sinking fund millage rate from 26 to 30 mills, and this was communicated to the district patrons prior to the vote. The bonds will be issued in a timely manner over six years to meet the projected millage rates to assure citizens will not face any additional taxes beyond the anticipated increase.

FY23 activity included:

- The District continued to pay down its debt, retiring \$37.2 million of outstanding bonds and lease payable.
- Only \$9 million in new bond debt was issued during the year.

See additional information regarding Long-term Debt in Note 4 to the Notes to the Financial Statements.

## **FACTORS BEARING ON THE DISTRICT'S FUTURE**

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future:

- The Federal government financial aid provided to school districts to assist with expenditures related to preventing, preparing for, and responding to COVID-19 will be ending at the end of next year. Norman Public Schools' share from these federal CARES, ESSER, and ARP relief funds is over \$29 million. The district is continuing to spend these program dollars to fill anticipated budget gaps, meet student needs, retain employees, and cover pandemic-related costs.
- The district is being mindful of the impact on the budget as these one-time funds expire next year. Since the learning loss of students will extend beyond 2024, the district will need to maintain big investments in learning recovery and social-emotional-health supports for years to come.
- Oklahoma schools are receiving a remarkable funding increase next year from the Legislature, with the intent to pay teachers a competitive salary, address inflationary costs, take care of support salaries and extend programs that provide opportunities for students. Continued investment in public schools is critical as we face the challenges of high inflation, teacher shortages, and the diminishing pandemic-related federal funding.
- We must continue the good work. We need to always remind legislators and decision makers that the future of Oklahoma depends on the choices we make today for public school students.

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designated to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Financial Officer's Office, Norman Public School District, 131 South Flood, Norman, OK 73069.

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Statement of Net Position  
June 30, 2023

	Governmental Activities
<b>Assets</b>	
Cash and cash equivalents	\$ 69,206,049
Property taxes receivable	6,730,090
Due from other governments	8,831,419
Other receivables	1,559,907
Inventories	209,993
Net OPEB asset	714,303
Capital assets	
Nondepreciated capital assets	47,055,699
Depreciated capital assets, net of depreciation	277,925,599
Right to use assets and subscription agreements, net of amortization	950,683
<b>Total Assets</b>	<b>413,183,742</b>
<b>Deferred Outflows of Resources</b>	
Deferred outflows related to OPEB	767,449
Deferred outflows related to pensions	40,130,889
<b>Total Deferred Outflows of Resources</b>	<b>40,898,338</b>
<b>Liabilities</b>	
Accounts payable and other current liabilities	13,061,045
Unearned revenue	347,067
Long-term obligations	
Due within one year - other than pensions	79,759,047
Due beyond one year - other than pensions	80,321,696
Due beyond one year - net pension liability	119,128,446
<b>Total Liabilities</b>	<b>292,617,301</b>
<b>Deferred Inflows of Resources</b>	
Deferred inflows related to leases	280,838
Deferred inflows related to OPEB	333,059
Deferred inflows related to pensions	20,694,836
<b>Total Deferred Inflows of Resources</b>	<b>21,308,733</b>
<b>Net Position (Deficit)</b>	
Net investment in capital assets	181,305,209
Restricted for:	
Debt service	22,991,941
School organizations	2,329,414
Child nutrition	2,808,452
Buildings	5,309,511
OPEB	1,148,693
Other	6,921,134
Unrestricted (deficit)	(82,857,231)
<b>Total Net Position</b>	<b>\$ 139,957,123</b>

Norman Independent School District No. 29

Cleveland County, Oklahoma

Statement of Activities

Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Changes in Net Position
				Total Governmental Activities
Governmental Activities:				
Instruction	\$ 88,157,593	\$ 135,967	\$ 19,600,028	\$ (68,421,598)
Support services	68,527,130	2,828,237	4,987,380	(60,711,513)
Non-instruction services	7,498,182	12,101,625	4,577,441	9,180,884
Interest on long-term debt	2,394,883	-	-	(2,394,883)
Depreciation and amortization - unallocated	13,962,418	-	-	(13,962,418)
Total school district	<u>\$ 180,540,206</u>	<u>\$ 15,065,829</u>	<u>\$ 29,164,849</u>	<u>\$ (136,309,528)</u>
General Revenues:				
Taxes				
Property taxes, levied for general purposes				43,303,688
Property taxes, levied for building purposes				6,179,708
Property taxes, levied for debt service				30,907,446
General taxes				14,402,960
State aid - formula grants				62,118,394
Loss on disposal of assets				(51,023)
Investment earnings				2,690,758
Total General Revenues				<u>159,551,931</u>
Change in net position				23,242,403
Net position - beginning, as restated (See Note 15)				<u>116,714,720</u>
Net position - ending				<u>\$ 139,957,123</u>



# Norman Independent School District No. 29

Cleveland County, Oklahoma

## Balance Sheet – Governmental Funds and Reconciliation to Statement of Net Position

June 30, 2023

	General Fund	Debt Service Fund	Casualty/Flood Insurance Recovery Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Pooled Cash and Investments	\$ 14,220,480	\$ 22,816,363	\$ 7,411,124	\$ 24,758,082	\$ 69,206,049
Property Taxes Receivable	3,120,191	3,172,255	-	437,644	6,730,090
Due from Other Governments	8,120,412	-	-	711,007	8,831,419
Other Receivables	1,072,278	51,397	44,592	391,640	1,559,907
Inventories - Supplies, Materials	209,993	-	-	-	209,993
<b>Total Assets</b>	<u>\$ 26,743,354</u>	<u>\$ 26,040,015</u>	<u>\$ 7,455,716</u>	<u>\$ 26,298,373</u>	<u>\$ 86,537,458</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable and Accrued Liabilities	10,271,841	-	1,361,256	875,908	12,509,005
Unearned Revenue	167,873	-	44,592	134,602	347,067
<b>Total Liabilities</b>	<u>10,439,714</u>	<u>-</u>	<u>1,405,848</u>	<u>1,010,510</u>	<u>12,856,072</u>
<b>Deferred Inflows of Resources</b>					
Leases	280,838	-	-	-	280,838
Unavailable revenue - taxes	2,967,474	3,048,074	-	412,297	6,427,845
Unavailable revenue - other	-	-	-	295,495	295,495
<b>Total Deferred Inflows of Resources</b>	<u>3,248,312</u>	<u>3,048,074</u>	<u>-</u>	<u>707,792</u>	<u>7,004,178</u>
<b>Fund Balances</b>					
Nonspendable	209,993	-	-	-	209,993
Restricted	569,608	22,991,941	6,049,868	24,580,071	54,191,488
Committed	177,151	-	-	-	177,151
Unassigned	12,130,829	-	-	-	12,130,829
<b>Fund Balances, End of Year</b>	<u>13,087,581</u>	<u>22,991,941</u>	<u>6,049,868</u>	<u>24,580,071</u>	<u>66,709,461</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 26,775,607</u>	<u>\$ 26,040,015</u>	<u>\$ 7,455,716</u>	<u>\$ 26,298,373</u>	
Amounts reported for governmental activities in the statement of net position are different because:					
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$486,590,113 and the accumulated depreciation is \$161,608,815.					324,981,298
Property taxes receivable will be collected next year, but are not available soon enough to pay for the current period's expenditures, and therefore are not reported in the funds.					6,427,845
Lunch revenues that will be collected next year, but are not available soon enough to pay for the current period's expenditures, and therefore are not reported in the funds.					295,495
Right to use assets and subscription based agreements are recorded as assets and liabilities in the governmental activities but not in reported in the governmental funds.					
Right to use assets and subscription agreements					950,683
Lease and subscription liabilities					<u>(870,258)</u>
Deferred outflows/inflows of resources related to the net pension liability and other postemployment benefit (OPEB) asset are not are not current financial resources and are not recorded in the fund financial statements but are recorded in the governmental activities.					
Deferred outflows of resources					\$ 40,898,338
Deferred inflows of resources					<u>(21,027,895)</u>
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:					
Bonds Payable (including premiums)					\$ 84,573,427
Long-term Revenue Lease Payable					72,828,507
Net Pension Liability					119,128,446
Net OPEB Asset					(714,303)
Accrued Interest on Bonds					552,040
Compensated Absences					<u>1,808,551</u>
<b>Total Net Position - Governmental Activities</b>					<u>\$ 140,188,299</u>

Norman Independent School District No. 29  
Cleveland County, Oklahoma

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds  
Year Ended June 30, 2023

	General Fund	Debt Service Fund	Casualty/Flood Insurance Recovery Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property Taxes	\$ 43,210,038	\$ 30,717,781	\$ -	\$ 6,158,977	\$ 80,086,796
Interest	557,864	1,082,008	144,062	906,825	2,690,759
County Revenue	4,615,578	-	-	-	4,615,578
State Revenue	72,526,098	-	-	65,867	72,591,965
Federal Revenue	17,503,848	-	-	4,379,836	21,883,684
Other	2,066,529	83,953	8,248,363	4,794,486	15,193,331
Total Revenues	<u>140,479,955</u>	<u>31,883,742</u>	<u>8,392,425</u>	<u>16,305,991</u>	<u>197,062,113</u>
Expenditures					
Instruction	83,827,933	-	-	2,270,468	86,098,401
Support services	55,128,509	-	557,319	7,761,957	63,447,785
Non-instruction services	37,140	-	-	7,169,325	7,206,465
Capital Outlays	13,080	-	10,393,077	8,624,089	19,030,246
Other Outlays	55,318	-	-	-	55,318
Debt Service					
Interest	1,665	2,071,875	-	-	2,073,540
Principal	18,190	29,160,000	-	180,733	29,358,923
Total Expenditures	<u>139,081,835</u>	<u>31,231,875</u>	<u>10,950,396</u>	<u>26,006,572</u>	<u>207,270,678</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>1,398,120</u>	<u>651,867</u>	<u>(2,557,971)</u>	<u>(9,700,581)</u>	<u>(10,208,565)</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	1,082,008	1,082,008
Transfers Out	-	(1,082,008)	-	-	(1,082,008)
Premium on Bonds	-	286,382	-	-	286,382
Proceeds from Bonds	-	-	-	9,060,000	9,060,000
Other Sources	156,261	-	-	570,721	726,982
Total Other Financing Sources (Uses)	<u>156,261</u>	<u>(795,626)</u>	<u>-</u>	<u>10,712,729</u>	<u>10,073,364</u>
Net Change in Fund Balances	1,554,381	(143,759)	(2,557,971)	1,012,148	(135,201)
Beginning Fund Balances	<u>11,513,345</u>	<u>23,135,700</u>	<u>8,607,839</u>	<u>23,567,923</u>	<u>66,824,807</u>
Ending Fund Balances	<u>\$ 13,067,726</u>	<u>\$ 22,991,941</u>	<u>\$ 6,049,868</u>	<u>\$ 24,580,071</u>	<u>\$ 66,689,606</u>

# Norman Independent School District No. 29

Cleveland County, Oklahoma

## Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds Year Ended June 30, 2023

Total net changes in fund balances - governmental funds \$ (135,201)

The change in net position reported in the statement of activities is different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays during the period.

Capital asset additions	\$ 6,454,478	
Depreciation	<u>(13,850,568)</u>	(7,396,090)

In the statement of activities, the loss on disposal of capital assets is reported, where as in the governmental funds proceeds from the sale increase financial resources if funds are received. The change in net position differs from the change in fund balance by the cost of assets disposed, net of related depreciation.

(51,023)

The lease revenue bonds are only recorded in governmental activities and not the fund financial statements. As non-capitalizable items are expensed as incurred and recognized in the statement of activities but not the fund financial statements.

(1,967,372)

Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead counted as unavailable revenues. They are, however, recorded as revenues in the statement of activities.

523,831

Because some other revenues will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead counted as unavailable revenues. They are, however, recorded as revenues in the statement of activities.

250,903

In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts actually paid). This year, vacation and sick leave used exceeded amounts earned.

(141,698)

Long term debt, such as bond proceeds, are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.

Bond proceeds	\$ (9,060,000)	
Lease and subscription liability payments	192,275	
Principal repayments	<u>35,883,687</u>	27,015,962

Changes in net pension liabilities and related deferrals are not recorded in the fund financial statements but is recorded in the statement of activities.

4,802,821

Changes in net OPEB asset and related deferrals are not recorded in the fund financial statements but is recorded in the statement of activities.

146,671

For governmental activities, leased assets and subscription-based information technology arrangements costs are allocated over their estimated useful lives as annual amortization expenses in the statement of activities. This is that amortization expense.

(297,466)

Bond premiums are shown as a liability on the statement of net position and as revenue in the governmental fund. The bond premium is amortized against interest expense using the effective interest method.

466,020

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources when paid. In the statement of activities, however, interest expense is recognized as the interest accrued, regardless of when it is due.

50,750

Change in net position of governmental activities

\$ 23,268,108

**Note 1 - Summary of Significant Accounting Policies**

The Norman Independent School District No. 29 (the District) is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and accordingly is a separate entity for operating and financial reporting purposes. The District is part of the public school system of Oklahoma under the general direction and control of the State Board of Education and is financially dependent on the State of Oklahoma for support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70 of the Oklahoma Statutes.

The District's financial statements are prepared in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB).

**The Reporting Entity** - The governing body of the District is the Board of Education composed of elected members. The appointed superintendent is the executive officer of the District. There are no component units included within the reporting entity.

**Basic Financial Statements – Government-Wide Statements** - The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type activities. Governmental Activities include programs primarily supported by taxes, State aid, grants and other intergovernmental revenue.

In the government-wide Statement of Net Position, the District's governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. These statements also recognize deferred outflows of resources and deferred inflows of resources. The District's net position are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's programs and functions. The functions are also supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Direct expenses are those that are clearly identifiable with a specific function. Program revenues must be directly associated with the function. Charges for services include charges and fees to students, or customers who purchase, use or directly benefit from the goods, services, or privileges provided by a given function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

All interfund transactions are eliminated in the district-wide statements.

The net costs are normally covered by general revenue (property taxes, State and Federal aid, other taxes etc.).

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Major individual governmental funds are reported in separate columns in the fund financial statements.

**Basic Financial Statements – Fund Financial Statements** - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities, deferred inflows of resources, and fund balances are included on the balance sheet. The fund financial statements provide reports on the financial condition and results of operations of governmental fund categories.

The District reports the following major governmental funds:

- **General Fund** is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Debt Service Fund** is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.
- **Casualty/Flood Insurance Recovery Fund** is used to account for insurance proceeds from damages to the District property based on previous weather events.

Additionally, the District reports the following fund types included in the Other Governmental Funds column:

**Governmental Funds:**

1. Special Revenue Funds – The District accounts for resources restricted for specific purposes by the District or a grantor in a special revenue fund.
2. Capital Project Funds – The proceeds from long-term financing and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in a capital projects fund.

**Basis of Accounting** - Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual: The government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred. Property taxes are recognized as revenue in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Modified Accrual:** The funds’ financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e. both measurable and available. “Available” means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

**Inventories** - Inventories in the general fund consist of expendable supplies held for the District’s use and are carried at cost using the first-in, first-out method. Inventories are accounted for using the consumption method where materials and supplies are recorded as an expenditure when used rather than when purchased.

On the government-wide financial statements, United States Department of Agriculture (USDA) food commodities are recorded as revenue at fair value at the date of receipt and as an expense when used. USDA food commodities are not reported in the governmental funds.

**Capital Assets and Right to Use Assets** - Capital assets purchased with an original cost of \$5,000 or more are reported at historical cost or acquisition value on the date of donation if acquired by gift. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

School Buildings	50 years
Site Improvements	20 years
Portable Classrooms	25 years
Kitchen Equipment	15 years
Business Machines and Computers	5 years
Licensed Vehicles	8 years
Audio Visual Equipment, Musical Instruments	10 years

Right to use leased assets are recognized at the lease commencement date and represent the District’s right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to please the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 5 years.

Right to use subscription IT assets are recognized at the subscription commencement date and represent the District's right to use the underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use subscription IT assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period varies is three years.

**Compensated Absences** - Certified District employees earn sick leave starting the first day of the school year, as defined for each individual. Support personnel are eligible for paid sick leave benefits on their start date. Sick leave is accrued at different rates depending on number of contract days worked. Unused sick leave is cumulative up to 185 days. Upon termination, resignation, retirement or death, unused sick leave is reimbursable up to a maximum of 120 days at rates varying from \$5 per day for the first 30 days to \$25 per day for the last 20 days. Vacation days accrue by month only after the completion of the full month. The rate of accrual is based on the number of contract days an employee works. Vacation may be accumulated and reimbursed for up to 80 days for employees hired before August 1, 2019. Those hired on or after August 1, 2019, may accumulate up to 80 days, but only be reimbursed for up to 20 days. Unused vacation days beyond the 20 maximum will be applied toward the 120 days available under the reimbursement provisions for unused sick leave. Reimbursement for unused vacation is paid at 100% of the employee's current rate of pay.

**Deferred Outflows/Inflows of Resources** - Deferred outflows represent a consumption of net position that applies to a future period(s) and so they will not be recognized as an outflow of resources (expense) until then. The District's deferred outflows of resources were comprised of statutorily required pension contributions, changes in actuarial assumptions, differences between expected and actual experience, difference between projected differences in pension contributions during the measurement period, and actual earnings on pension plan investments, and changes in proportion that are applicable to future reporting periods. Also reported in deferred outflows are OPEB related changes in proportion, projected differences in OPEB contributions during the measurement period, statutorily required OPEB contributions.

Deferred inflows are the acquisition of net position by the District that is applicable to a future reporting period. The District's deferred inflows of resources were comprised of amounts recognized as receivables but not revenues in the governmental funds because the revenue recognition criteria (availability) has not been met such as leases receivable; and at the government-wide level, changes in net pension obligation related to differences between expected and actual experience for pensions, changes of pension assumptions, difference between projected differences in pension contributions during the measurement period, and changes in proportion for pensions that are applicable to future reporting periods. Also reported in deferred inflows at the government-wide level are OPEB related differences between expected and actual experience, actual earnings on OPEB plan investments, changes in proportion, and projected differences in OPEB contributions during the measurement period.

**Budgets and Budgetary Accounting** - The District is required by state law to prepare an annual budget. The District by resolution of the Board of Education has adopted the School District Budget Act. This act requires that within the thirty-day period preceding the beginning of each fiscal year, a budget shall be approved by the governing body. The original budget is to be amended after the June financial activity has been recorded, the annual allocations have been released, and the property tax valuations have been certified for all affected counties within the district.

A budget is legally adopted by the Board of Education for the General Fund and Special Revenue Funds that includes revenues and expenditures.

**Deposits** - The District considers all cash on hand, demand deposits, money market checking and certificates of deposit, held at an individual bank which are subject to early withdrawal penalties no matter what the maturity period, to be cash. All short-term cash surpluses are maintained in a cash pool, the earnings from which are allocated to each fund based on month-end deposit balances. State statutes require collateral for deposits in excess of insured amounts. The collateral's market value must exceed the insured deposit.

**Property Tax Revenues** - The District is authorized by state law to levy property taxes which consist of ad valorem taxes on real and personal property within the District. The County Assessor, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax roll for submission to the county treasurer prior to October 1. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes are due prior to January 1. The second half is due prior to April 1.

If the first payment is not made timely, the entire tax becomes due and payable on January 1. Second half taxes become delinquent on April 1 of the year following the year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The owner has two years to redeem the property by paying the taxes and penalty owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property.

Property taxes receivable by the District include uncollected taxes assessed in prior years. Delinquent property tax receivable is recognized as revenue in the government-wide financial statements. Only the portion of the property taxes receivable that meets the revenue recognition criteria is reported as revenue in the fund financial statements. No provision has been made for uncollectible amounts because uncollectible amounts are considered insignificant.



**State Revenues** - Revenues from state sources for current operations are primarily governed by the state aid formula under the provisions of Article XVIII, Title 70, Oklahoma Statutes. The State Board of Education administers the allocation of state aid funds to school districts based on information accumulated from the districts.

After review and verification of reports and supporting documentation, the State Department of Education may adjust subsequent fiscal period allocations of money for prior year errors disclosed by review. Normally, such adjustments are treated as reductions or additions of revenue of the year when the adjustment is made.

The District receives revenue from the state to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the programs for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical programs. The State Department of Education requires that categorical educational program revenues be accounted for in the general fund.

**Interfund Transfers** - During the course of normal operations, the District has transactions between funds including expenditures and transfers of resources to provide services, purchase assets and service debt. Transactions that are normal and recurring between funds are recorded as transfers.

**Bond Premium** - Bond premiums are deferred and amortized over the life of the bonds using the effective interest method.

**Lease receivable** - The District, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources is measured as the value of the lease receivables in addition to any payments received at or before the commencement of the lease term that relate to future periods.

**Pensions** - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oklahoma Teachers Retirement System (OTRS) and additions to/deductions from OTRS's fiduciary net position have been determined on the same basis as they are reported by OTRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**OPEB** – For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Oklahoma Teachers Retirement System (OTRS) and additions to/deductions from OTRS’s fiduciary net position have been determined on the same basis as they are reported by OTRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

**Long-Term Obligations** – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether withheld from the actual debt proceeds received, are reported as debt service expenditures.

Lease Liabilities represent the District’s obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the District.

Subscription Liabilities represent the District’s obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription payments are discounted based on a borrowing rate determined by the District.

**Net Position and Fund Balance** - District-Wide Financial Statements – When the District incurs an expense for which it may use either restricted or unrestricted net position, it uses restricted net position first unless unrestricted net position will have to be returned because they were not used.

Net position on the Statement of Net Position includes the following:

**Net investment in Capital Assets** - The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

**Restricted for Debt Service** - The component of net position that reports the amount of funds restricted for payment of principal and interest on debt. This amount is restricted by enabling legislation and debt covenants.

**Restricted for Buildings** - The component of net position that reports the excess of property taxes and other revenue collected in excess of expenses for operation of the District's buildings. This amount is restricted by enabling legislation.

**Restricted for School Organizations** - The component of net position that reports the assets restricted for use by student organizations and extracurricular activities. This amount is restricted by regulations of the Oklahoma State Department of Education.

**Restricted for Child Nutrition** - The component of net position that reports the assets restricted for use by Child Nutrition program.

**Restricted for Other** – General Fund grants, gifts from donors, and insurance purposes.

**Restricted for OPEB** – The component of net position that reports the net OPEB asset restricted for other post-employment benefits, and deferred outflows of resources netted against its related deferred inflows of resources.

**Unrestricted** – The difference between the sum of assets and deferred outflows of resources and the sum of liabilities and deferred inflows of resources that is not reported as restricted for any particular purpose.

**Governmental Fund Reporting** – The District follows Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Types*, which defines how fund balances of the governmental funds are presented in the financial statements. The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

**Nonspendable**: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified inventory as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District has classified school construction and building maintenance expenditures as being restricted because their use is restricted by state statute or legislation regarding use of expenditures. Debt service resources are to be used for future servicing of the debt and are restricted through debt covenants. Food service resources are to be used for the District's child nutrition program and are restricted through federal and state regulations. The District has classified school program activities, miscellaneous site grants and grant carryover as being restricted because their use is imposed by the Oklahoma State Department of Education or other authority regarding use of expenditures. Other purposes are restricted for insurance purposes and scholarship purposes from contributors.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to management through the budgetary process. The District has no assigned funds as of June 30, 2023.

Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification would also include any negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts. The District has not established a formal stabilization arrangement regarding minimum funding requirements. The Board of Education, however, has made it a goal to achieve and maintain a minimum fund balance of 5% in the general fund of the current year total revenue collections as well as a minimum fund balance in the building fund of 35% of the current year total revenue collections.

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

As of June 30, 2023, fund balances are comprised of the following:

	General Fund	Debt Service Fund	Casualty/Flood Insurance Recovery Fund	Other Governmental Funds	Total Governmental Funds
Fund balances:					
Nonspendable					
Inventory	\$ 209,993	\$ -	\$ -	\$ -	\$ 209,993
Restricted for:					
School construction	-	-	-	13,831,036	13,831,036
Building maintenance	-	-	-	5,309,511	5,309,511
Debt service reserve	-	22,991,941	-	-	22,991,941
School programs	-	-	-	2,329,414	2,329,414
Food services	-	-	-	2,808,452	2,808,452
Insurance purposes	-	-	6,049,868	40,966	6,090,834
Gifts from donors	-	-	-	260,692	260,692
Miscellaneous site grants and Federal and state grants carryover	569,608	-	-	-	569,608
Total restricted	<u>569,608</u>	<u>22,991,941</u>	<u>6,049,868</u>	<u>24,580,071</u>	<u>54,191,488</u>
Committed to:					
Miscellaneous site	177,151	-	-	-	177,151
Total committed	<u>177,151</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>177,151</u>
Unassigned	12,130,829	-	-	-	12,130,829
Total fund balances	<u>\$ 13,087,581</u>	<u>\$ 22,991,941</u>	<u>\$ 6,049,868</u>	<u>\$ 24,580,071</u>	<u>\$ 66,709,461</u>

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

**Implementation of GASB Statement No. 96:** As of July 1, 2022, the School District adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA). The implementation of this standard establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The effect of the implementation of this standard had no impact on beginning net position and the additional disclosures required by this standard is included in Note 10.

**Note 2 - Cash and Investments**

**Deposits** - At June 30, 2023, the bank balance of deposits and cash pools was \$76,592,527. Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. State statutes require collateral for amounts in excess of federally insured amounts. The deposit policy for custodial credit risk requires compliance with the provisions of state law. The bank balance was completely covered by federal depository insurance and by collateral held by the District’s third-party agent in the District’s name.

**Interest Rate Risk** – The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates.

**Note 3 - Capital Assets**

Capital asset activity for the year ended June 30, 2023, was as follows:

	Beginning Balances (restated)	Increases	Decreases	Ending Balances
<b>Capital Assets not being depreciated:</b>				
Land	\$ 4,363,195	\$ 1,644,787	\$ -	\$ 6,007,982
Construction in Progress	105,041,564	10,393,077	74,386,924	41,047,717
Total capital assets not being depreciated	<u>109,404,759</u>	<u>12,037,864</u>	<u>74,386,924</u>	<u>47,055,699</u>
<b>Capital Assets being depreciated:</b>				
Buildings	120,318,326	-	-	120,318,326
Improvements	226,672,850	66,002,664	-	292,675,514
Furniture and Equipment	5,264,077	363,552	222,530	5,405,099
Musical Instruments	295,003	22,394	-	317,397
Computers	9,189,051	74,338	-	9,263,389
Vehicles	11,696,238	373,218	514,767	11,554,689
Total capital assets being depreciated	<u>373,435,545</u>	<u>66,836,166</u>	<u>737,297</u>	<u>439,534,414</u>
<b>Less accumulated depreciation for:</b>				
Buildings	72,383,356	2,238,616	-	74,621,972
Improvements	58,700,007	8,861,689	-	67,561,696
Furniture and Equipment	3,260,962	288,431	175,143	3,374,250
Musical Instruments	242,062	15,161	-	257,223
Computers	5,405,844	1,723,122	-	7,128,966
Vehicles	8,452,290	723,549	511,131	8,664,708
Less total accumulated depreciation	<u>148,444,521</u>	<u>13,850,568</u>	<u>686,274</u>	<u>161,608,815</u>
Total capital assets being depreciated, net	<u>224,991,024</u>	<u>52,985,598</u>	<u>51,023</u>	<u>277,925,599</u>
<b>Right to use assets being amortized</b>				
Leased Assets	-	726,982	-	726,982
Subscription-Based IT Assets	-	335,551	-	335,551
Total right to use assets	<u>-</u>	<u>1,062,533</u>	<u>-</u>	<u>1,062,533</u>
<b>Less accumulated amortization</b>				
Leased Assets	-	185,616	-	185,616
Subscription-Based IT Assets	-	111,850	-	111,850
Total accumulated amortization	<u>-</u>	<u>297,466</u>	<u>-</u>	<u>297,466</u>
Total right to use assets, net	<u>-</u>	<u>765,067</u>	<u>-</u>	<u>765,067</u>
Governmental activity capital assets, net	<u>\$ 334,395,783</u>	<u>\$ 65,788,529</u>	<u>\$ 74,437,947</u>	<u>\$ 325,746,365</u>

Depreciation is not allocated by function in the statement of activities.

**Note 4 - Long-term Liabilities**

The long-term liability balances and activity for the year were as follows:

	Beginning	Additions	Reductions	Ending Balance	Amounts Due Within 1 Year
Bonds Payable	\$ 102,770,000	\$ 9,060,000	\$ (29,160,000)	\$ 82,670,000	\$ 29,790,000
Bond Premium	2,369,447	286,382	(752,402)	1,903,427	684,433
Compensated Absences	1,666,853	705,762	(564,064)	1,808,551	1,808,551
Financed Lease Payable	1,985,720	-	(1,985,720)	-	-
2019 Lease Revenue Payable	77,566,474	-	(4,737,967)	72,828,507	47,195,885
Lease Liabilities	-	726,982	(82,475)	644,507	168,477
Subscription-based Liabilities	-	335,551	(109,800)	225,751	111,701
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total governmental activity long-term liabilities	<u>\$ 186,358,494</u>	<u>\$ 11,114,677</u>	<u>\$ (37,392,428)</u>	<u>\$ 160,080,743</u>	<u>\$ 79,759,047</u>

General Obligation Bonds

Bonds payable at June 30, 2023 are composed of the following individual general obligation bond issues:

Original Issue Amount	Annual Installment	Issue Date	Final Maturity Date	Interest Rate	Outstanding Amount at June 30, 2023
\$ 36,820,000	\$ 9,205,000	5/1/2019	5/1/2024	2-3%	\$ 9,205,000
18,600,000	4,650,000	3/1/2020	3/1/2025	2%	9,300,000
2,800,000	700,000	3/1/2020	3/1/2025	1.5-2.5%	1,400,000
26,540,000	6,635,000	3/1/2021	3/1/2026	1.25%	19,905,000
2,400,000	600,000	3/1/2021	3/1/2026	0.625%	1,800,000
30,100,000	7,525,000	3/1/2022	3/1/2027	2%	30,100,000
1,900,000	475,000	3/1/2022	3/1/2027	2%	1,900,000
5,580,000	1,395,000	3/1/2023	3/1/2028	4%	5,580,000
3,480,000	870,000	3/1/2023	3/1/2028	5%	3,480,000
					<u>\$ 82,670,000</u>

Payments on bonds are made by the debt service fund with property taxes. Compensated absences are generally liquidated by the general fund.

The annual requirements to amortize all bond debt outstanding as of June 30, 2023 including interest payments are as follows:

Year Ending June 30	Principal	Interest	Total Debt Service
2024	\$ 29,790,000	\$ 1,781,638	\$ 31,571,638
2025	22,850,000	1,154,950	24,004,950
2026	17,500,000	704,587	18,204,587
2027	10,265,000	358,600	10,623,600
2028	2,265,000	99,300	2,364,300
	<u>\$ 82,670,000</u>	<u>\$ 4,099,075</u>	<u>\$ 86,769,075</u>

State statutes prohibit the District from becoming indebted in an amount exceeding the revenue to be received for any fiscal year without approval by the District's voters. Bond issues have been approved by the voters and issued by the District for various capital improvements. These bonds are required to be fully paid serially within 25 years from the date of issue. General obligation bonded debt of the District is limited by state law to 10% of the assessed valuation of the District. The legal debt limit for general obligation bonds at June 30, 2023 is approximately \$120.7 million.

Proceeds of general obligation bond issues are recorded in the capital project funds and at least 85% of the proceeds are restricted to the use for which they were approved in the bond elections.

Lease Revenue Payable - See discussion of lease revenue payables at Note 14.

**Note 5 - Leases**

Lessor

The District functions as a landlord in a ground lease agreement which meets the classification requirements of long-term leases under GASB Statement No. 87, *Leases*. As a result, the District recognizes a lease receivable and a deferred inflow of resources. The discount rate used for the present value calculations for the leases is 1.63% with a defined annual payment of \$7,350 ending November 18, 2024 with options to renew expected to occur. The amounts recorded as of June 30, 2023 for lease receivable was \$282,745 and the related deferred inflow of resources is \$280,838.

Lessee

For the year ended June 30, 2023, the District entered into agreements to lease eighteen vehicles and copier equipment. Such agreements have start dates ranging from November 1, 2022 to February 1, 2023. The vehicles have lease terms of four years, and the copier equipment has a term of five years.

At June 30, 2023, the District has recognized a right to use asset of \$726,982 and a lease liability of \$726,982 related to these agreements. The District used discount rates ranging from 2.28% to 3.41%.

The schedule of leased assets and related amortization for the year ended June 30, 2023, is as follows:

Copier	\$ 156,261
Vehicles	<u>570,721</u>
	<u>726,982</u>
Amortization	<u>(185,616)</u>
	<u>\$ 541,366</u>



The schedule of future payments included in the measurement of the lease liability is as follows:

Year Ending June 30	Total Debt		
	Principal	Interest	Service
2024	\$ 157,771	\$ 24,790	\$ 182,561
2025	167,900	11,163	179,063
2026	172,782	6,281	179,063
2027	104,892	1,668	106,560
2028	41,162	120	41,282
	<u>\$ 644,507</u>	<u>\$ 44,022</u>	<u>\$ 688,529</u>

**Note 6 - Employee Retirement System**

**Plan Description** - The District contributes to the state-administered Oklahoma Teachers' Retirement System ("the System" or "OTRS"), a cost-sharing, multiple-employer public employee retirement plan (the Plan). The System is administered by a board of trustees. OTRS provides retirement, disability and death benefits to plan members and beneficiaries. Oklahoma State Statute 70, Article 17 assigns the authority to establish and amend benefit provisions to the OTRS Board of Trustees. Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of the System; which can be located at [www.ok.gov/OTRS](http://www.ok.gov/OTRS).

**Policy** - Under the System, contributions are made by the District, the State of Oklahoma, and the participating employees. Participation is required for all teachers and other certified employees and is optional for all other regular employees of public educational institutions who work at least 20 hours per week.

**Contributions** - The contribution rates for the District and its employees, which are not actuarially determined, are established by statute and applied to the employee's earnings, plus employer-paid fringe benefits. The District was required by statute to contribute 9.5% of applicable compensation for the year ended June 30, 2023. Plan members are required to contribute 7% of their annual covered salary. The District pays full-time employees' contribution as allowed by statute. Contributions to the pension plan from the District were \$8,746,938. The State of Oklahoma also made on-behalf contributions to OTRS, of which \$6,160,138 was recognized by the District; these on-behalf payments did not meet the criteria of a special funding situation.

**Benefits** - Benefit provisions include:

- Members become 100% vested in retirement benefits earned to date after five or seven years (depending on hire date) of credited Oklahoma service. Members who joined the System on June 30, 1992 or prior are eligible to retire at maximum benefits when age and years of creditable service total 80. Members joining the System after June 30, 1992 are eligible for maximum benefits when their age and years of creditable service total 90. Members whose age and service do not equal the eligible limit may receive reduced benefits as early as age 55, and at age 62 receive unreduced benefits based on their years of service. The maximum retirement benefit is equal to 2% of final compensation for each year of credited service.

- Final compensation for members who joined the System prior to July 1, 1992 is defined as the average salary for the three highest years of compensation. Final compensation for members joining the System after June 30, 1992 is defined as the average of the highest five consecutive years of annual compensation in which contributions have been made. The final average compensation is limited for service credit accumulated prior to July 1, 1995 to \$40,000 or \$25,000, depending on the member's election. Monthly benefits are 1/12 of this amount. Service credits accumulated after June 30, 1995 are calculated based on each member's final average compensation, except for certain employees of the two comprehensive universities.
- Upon the death of a member who has not yet retired, the designated beneficiary shall receive the member's total contributions plus 100% of interest earned through the end of the fiscal year, with interest rates varying based on time of service. A surviving spouse of a qualified member may elect to receive, in lieu of the aforementioned benefits, the retirement benefit the member was entitled to at the time of death as provided under the Joint Survivor Benefit Option.
- Upon the death of a retired member, the System will pay \$5,000 to the designated beneficiary, in addition to the benefits provided for the retirement option selected by the member.
- A member is eligible for disability benefits after ten years of credited Oklahoma service. The disability benefit is equal to 2% of final average compensation for the applicable years of credited service.
- Upon separation from OTRS, members' contributions are refundable with interest based on certain restrictions provided in the plan, or by the IRC.
- Members may elect to make additional contributions to a tax-sheltered annuity program up to the exclusion allowance provided under the IRC under Code Section 403(b).

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At June 30, 2023, the District reported a liability of \$119,128,446 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The District's proportion of the net pension liability was based on the District's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2022. Based upon this information, the District's proportion was 1.4511%, a decrease from 1.6330% at June 30, 2021.

Norman Independent School District No. 29

Cleveland County, Oklahoma

Notes to Financial Statements

June 30, 2023

For the year ended June 30, 2023, the District recognized pension expense of \$1,357,317 in compensation and benefits expense. June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Differences between expected and actual experience	\$ 3,816,327	\$ 1,490,172
Changes of assumptions	8,037,799	-
Net difference between projected and actual earnings on pension plan investments	11,341,050	-
Changes in proportion	7,317,174	19,028,032
Differences between District contributions and proportionate share of contributions	871,601	176,632
District contributions subsequent to the measurement date	<u>8,746,938</u>	<u>-</u>
	<u>\$ 40,130,889</u>	<u>\$ 20,694,836</u>

The \$8,746,938 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

The average expected remaining life of the Plan is determined by taking the calculated total future service years of the Plan divided by the number of people in the Plan including retirees. The total future service years of the plan are estimated at 5.23 years at June 30, 2022 and are determined using the mortality, termination, retirement and disability assumptions associated with the Plan. Deferred outflows resulting from the difference between projected and actual investment earnings, will be recognized in pension expense over a period of five years.

Other than contributions provided subsequent to the measurement date, deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$ 2,916,830
2025	3,381,326
2026	(3,056,055)
2027	7,926,826
2028	(479,812)
	\$ 10,689,115

**Actuarial Assumptions** - The total pension liability as of June 30, 2023, was determined based on an actuarial valuation prepared as of June 30, 2022 using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age Normal
- Asset Valuation Method – 5-Year Smoothed Market
- Inflation - 2.25%
- Future Ad Hoc Cost-of-living Increases - None
- Salary Increases - Inflation rate of 2.25% plus productivity increase rate of 0.75% plus step-rate/promotional adjustments with less than 25 years of service
- Investment Rate of Return – 7.00%
- Retirement Age - Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five-year experience study for the period ending June 30, 2019
- Mortality Rates for retired member – 2020 GRS Southwest Region Teacher Mortality Table for males and females.
- Mortality Rates for active members – Pub-2010 Teachers Active Employee Mortality table. Generational mortality improvements in accordance with the ultimate MP scales are projected from the year 2010.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the five year period ending June 30, 2019.

Norman Independent School District No. 29

Cleveland County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

The target asset allocation and best estimates of arithmetic expected real rates of return for each major asset class as of June 30, 2022 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	38.3%	4.9%
International Equity	16.7%	5.5%
Domestic Fixed Income	22.0%	1.3%
Real Estate**	10.0%	3.5%
Private Equity	8.0%	7.6%
Private Debt	5.0%	4.6%
Total	100.0%	

\*\* The Real Estate total expected return is a combination of US Direct Real Estate (unlevered) and US Value added Real Estate (unlevered)

**Discount Rate** - A single discount rate of 7.0% was used to measure the total pension liability as of June 30, 2022. Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projection of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels and remain a level percentage of payrolls. The projection of cash flows also assumed that the State's contribution plus the matching contributions will remain a constant percent of projected member payroll based on the past five years of actual contributions.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** - The following presents the net pension liability of the employers calculated using the discount rate of 7.0%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% decrease 6.0%	Current Discount 7.0%	1% increase 8.0%
Net pension liability	\$ 167,733,566	\$ 119,128,446	\$ 79,169,333

**Pension plan fiduciary net position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of the OTRS; which can be located at [www.ok.gov/OTRS](http://www.ok.gov/OTRS).

**Note 7 - Other Post-Employment Benefits (OPEB)**

**Plan description** - The District as the employer, participates in the Supplemental Health Insurance Program—a cost-sharing multiple-employer defined benefit OPEB plan administered by the Oklahoma Teachers Retirement System (OTRS). Title 74 O. S. Sec. 1316.3 defines the health insurance benefits. The authority to establish and amend benefit provisions rests with the State Legislature. OTRS issues a publicly available financial report that can be obtained at [www.ok.gov/OTRS](http://www.ok.gov/OTRS).

**Benefits provided** - OTRS pays a medical insurance supplement to eligible members who elect to continue their employer provided health insurance. The supplement payment is between \$100 and \$105 per month, remitted to the Oklahoma Management Enterprise Services Employees Group Insurance Division, provided the member has ten (10) years of Oklahoma service prior to retirement.

**Contributions** - Employer and employee contributions are made based upon the TRS Plan provisions contained in Title 70, as amended. However, the statutes do not specify or identify any particular contribution source to pay the health insurance subsidy. Based on the contribution requirements of Title 70 employers and employees contribute a single amount based on a single contribution rate as described in Note 5; from this amount OTRS allocates a portion of the contributions to the supplemental health insurance program. The cost of the supplemental health insurance program averages 1.5% of normal cost as determined by an actuarial valuation. Contributions allocated to the OPEB plan from the District were \$98,091.

**OPEB Liabilities (Assets), OPEB Expense (Benefit), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** – At June 30, 2023, the District reported an asset of \$714,303 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of June 30, 2022. The District’s proportion of the net OPEB asset was based on the District’s contributions received by the OPEB plan relative to the total contributions received by the OPEB plan for all participating employers as of June 30, 2022. Based upon this information, the District’s proportion was 1.6330%, unchanged from June 30, 2021.

Norman Independent School District No. 29

Cleveland County, Oklahoma

Notes to Financial Statements

June 30, 2023

For the year ended June 30, 2023, the District recognized OPEB expense (benefit) of \$(308,875). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Differences between expected and actual experience	\$ -	\$ 237,778
Changes of assumptions	215,402	-
Net difference between projected and actual earnings on plan investments	298,661	-
Changes in proportion	41,081	38,149
Differences between District contributions and proportionate share of contributions	114,214	57,132
District contributions subsequent to the measurement date	98,091	-
	<u>\$ 767,449</u>	<u>\$ 333,059</u>

The \$98,091 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	
2024	\$ 52,170
2025	42,155
2026	(49,655)
2027	282,783
2028	6,499
Thereafter	<u>2,347</u>
	<u>\$ 336,299</u>

Actuarial Assumptions- The total OPEB liability (asset) as of June 30, 2022, was determined based on an actuarial valuation prepared as of June 30, 2022 using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age Normal
- Asset Valuation Method – 5-Year Smoothed Market
- Inflation - 2.25%
- Future Ad Hoc Cost-of-living Increases - None
- Salary Increases - Inflation rate of 2.25% plus productivity increase rate of 0.75% plus step-rate/promotional adjustments with less than 25 years of service
- Investment Rate of Return – 7.00%
- Retirement Age - Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five-year experience study for the period ending June 30, 2019
- Mortality Rates for retired members – 2020 GRS Southwest Region Teacher Mortality Table for males and females.
- Mortality Rates for active members – Pub-2010 Teachers Active Employee Mortality table. Generational mortality improvements in accordance with the ultimate MP scales are projected from the year 2010.



The target asset allocation and best estimates of arithmetic expected real rates of return for each major asset class as of June 30, 2022 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	38.3%	4.9%
International Equity	16.7%	5.5%
Domestic Fixed Income	22.0%	1.3%
Real Estate**	10.0%	3.5%
Private Equity	8.0%	7.6%
Private Debt	5.0%	4.6%
<b>Total</b>	<b>100.0%</b>	

\*\* The Real Estate total expected return is a combination of US Direct Real Estate (unlevered) and US Value added Real Estate (unlevered)

**Discount Rate-** A single discount rate of 7.00% was used to measure the total OPRB liability (asset) as of June 30, 2022. This single discount rate was based solely on the expected rate of return on OPEB plan investments of 7.00%. Based on the stated assumptions and the projection of cash flows, the OPEB plan’s fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability (asset). The projection of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels and remain a level percentage of payrolls. The projection of cash flows also assumed that the State’s contribution plus the matching contributions will remain a constant percent of projected member payroll based on the past five years of actual contributions.

**Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate-**The following presents the net OPEB liability (asset) of the employer calculated using the discount rate of 7.0%, as well as what the Plan's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% decrease 6.0%	Current Discount 7.0%	1% increase 8.0%
Net OPEB (asset) liability	\$ 29,760	\$ (714,303)	\$ (1,344,363)

**OPEB plan fiduciary net position -** Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued financial report of the OTRS; which can be located at [www.ok.gov/OTRS](http://www.ok.gov/OTRS).

**Note 8 - Risk Management**

The District is exposed to various risks of loss related to torts; theft of damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

**Note 9 - Disaggregation of Payable Balances**

Governmental Activities:	Vendors	Salaries and Benefits	Accrued Interest	Total Payables
General and other governmental funds	\$ 3,693,278	\$ 8,815,727	\$ -	\$ 12,509,005
Reconciliation of balances in fund financials to government-wide statements	-	-	552,040	552,040
Total governmental activities	\$ 3,693,278	\$ 8,815,727	\$ 552,040	\$ 13,061,045

**Note 10 - Subscription Based Information Technology Arrangements**

For the year ended June 30, 2023, the District was in a subscription-based information technology arrangement (SBITA) that was initiated in the year ended June 30, 2022. The SBITA has a lease term of four years.

At June 30, 2023, the District has recognized assets related to this of \$335,551 and a lease liability of \$335,551 related to these agreements. The District used a discount rate of 2.1%.

The asset and related amortization for the year ended June 30, 2023, is as follows:

Assets	\$ 335,551
Amortization	(111,850)
	\$ 223,701

The schedule of future payments included in the measurement of the related liability is as follows:

Year Ending June 30	Principal	Interest	Total Debt Service
2024	\$ 105,360	\$ 4,478	\$ 109,838
2025	120,391	2,262	122,653
	\$ 225,751	\$ 6,740	\$ 232,491

**Note 11 - Schedule of Transfers**

The transfers for the year ended June 30, 2023 are as follows:

Transfer From	Transfer To	Amount	Nature of Transfer
Debt Service Fund	Building Fund	\$ 1,082,008	Intrafund Transfer
	Total Transfers between Funds	<u>\$ 1,082,008</u>	

Transfers are used for (1) reimbursement of funds collected by one fund that are accounted for in another fund and (2) return of funds in excess of budgetary requirements.

**Note 12 - Contingencies and Commitments**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, the District believes the resolution of these matters will not have a material adverse effect on the financial condition of the District. Should a judgment be awarded against the District, it would be levied through the District’s sinking fund over a three-year period pursuant to state law.

The District has outstanding construction commitments of approximately \$2.1 million as of June 30, 2023.

During the year ended June 30, 2023, the District did not reduce insurance coverage from coverage levels in place as of June 30, 2022. No settlements have exceeded coverage levels in place during 2023.

**Note 13 - Cybersecurity Event**

On the morning of November 4, 2022, the District discovered it was the victim of a malicious ransomware attack. Upon learning of the event, the District moved quickly to investigate and respond to the event, assess the security of our systems, and notify staff, students, and parents of the event.

With the assistance of third-party data forensics and incident response specialists, the District immediately investigated to determine the full nature and scope of the event and cooperated with law enforcement. The investigation has determined that an unauthorized actor gained access to certain District systems, and that information contained on those systems may have been viewed or taken by the unauthorized actor. The District reviewed of the data in its possession to identify individuals with personal information that was potentially impacted. The District placed notations in the electronic records online for potentially impacted students.

Those notations will describe the type of information that was potentially viewed or taken by the unauthorized actor.

As of the date of this report, the District remains unaware of any actual or attempted misuse of anyone’s personal information as a result of this event. Nevertheless, the District encourages potentially affected individuals to review the steps one can take. The District continues to offer identity theft protection services to all potentially impacted individuals for twelve (12) months, through IDX, the data breach and recovery services expert.

**Note 14 - Sublease Agreement**

The District entered into a sublease agreement in June 2019 with the Cleveland County Education Facilities Authority (the Authority) in which the Authority advanced \$117,550,000 in educational facilities lease revenue bonds, Series 2019 (lease revenue bonds), to the District for the acquisition and construction of buildings, improvements, and furniture and equipment. The trustee bank holds the cash and makes payments after authorization from the District. These bonds were issued with a premium of \$14.5 million. The amount of the original issuance, with related premium, is as follows:

Maturity Date	Principal Amount	Premium	Total
June 1, 2020	\$ 7,340,000	\$ 243,834	\$ 7,583,834
June 1, 2021	16,405,000	1,077,480	17,482,480
June 1, 2022	20,465,000	1,972,416	22,437,416
June 1, 2023	2,200,000	274,296	2,474,296
June 1, 2024	1,250,000	129,387	1,379,387
June 1, 2024	44,540,000	6,725,094	51,265,094
June 1, 2025	3,000,000	148,890	3,148,890
June 1, 2025	22,350,000	3,945,892	26,295,892
	<u>\$ 117,550,000</u>	<u>\$ 14,517,289</u>	<u>\$ 132,067,289</u>

The annual requirements of the District to pay the lease revenue bonds as of June 30, 2023 including interest payments are as follows:

	Principal Amount	Interest	Total
2024	\$ 47,195,885	\$ 967,115	\$ 48,163,000
2025	25,632,622	340,378	25,973,000
	<u>\$ 72,828,507</u>	<u>\$ 1,307,493</u>	<u>\$ 74,136,000</u>

Upon payment of the lease purchased acquisition payments, legal title will go to the District for all construction, acquisition and renovations completed with the revenue lease bonds. At the start of the lease revenue bond transaction, the estimated capitalizable sublease activity of \$138 million was included on the statement of net position as capital assets and a long-term lease. These financing agreements are accounted for as finance leases for accounting purposes as the title transfers at the end of the lease term.

At origination, the District has pledged approximately \$138.9 million in future issuances of general obligation bonds to repay these amounts, including interest. The general obligation bonds will be issued prior to the payment due of the lease revenue bond payments.

Lease bond revenue projects in process at June 30, 2023 totaled approximately \$27 million.

**Note 15 - Correction of Error**

During the current year, management determined that construction in progress as of June 30, 2022 was understated by inappropriately expensing those costs:

The beginning net position of the government-wide statement of activities was restated as of July 1, 2022 as follows:

	Governmental Activities
Beginning net position, as previously reported	\$ 113,265,287
Correction of understated construction in progress	3,449,433
Beginning net position, as restated	\$ 116,714,720

The impact to the change in net position for the year ended June 30, 2022 would have been an increase of approximately \$3.4 million had the adjustment been made correctly.



Required Supplementary Information  
June 30, 2023

**Norman Independent School District  
No. 29**

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Budgetary Comparison Schedule – General Fund (Unaudited)  
Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual Amounts GAAP Basis	<u>Variance with Final Budget Positive (Negative)</u>	
	<u>Original</u>	<u>Final</u>		<u>Original to Final</u>	<u>Final to Actual</u>
Budgetary Fund Balance, July 1	\$ 9,805,501	\$ 11,513,345	\$ 11,513,345	\$ 1,707,844	\$ -
Resources (inflows)					
Property Taxes	41,036,088	43,685,449	43,210,038	2,649,361	(475,411)
Interest	16,111	135,272	557,864	119,161	422,592
County Revenue	4,972,000	4,998,000	4,615,578	26,000	(382,422)
State Revenue	69,239,221	72,086,829	72,526,098	2,847,608	439,269
Federal Revenue	20,785,180	23,002,408	17,503,848	2,217,228	(5,498,560)
Other	1,944,607	2,008,943	2,222,790	64,336	213,847
Amounts Available for Appropriation	<u>147,798,708</u>	<u>157,430,246</u>	<u>152,149,561</u>	<u>9,631,538</u>	<u>(5,280,685)</u>
Charges to Appropriations (outflows)					
Instruction	83,304,521	86,862,329	83,827,933	(3,557,808)	3,034,396
Support Services	54,818,570	57,369,917	55,128,509	(2,551,347)	2,241,408
Non-instruction Services	150,675	40,055	37,140	110,620	2,915
Capital Outlays	25,642	25,642	13,080	-	12,562
Other Outlays	464,717	564,809	75,173	(100,092)	489,636
Total Charges to Appropriations	<u>138,764,125</u>	<u>144,862,752</u>	<u>139,081,835</u>	<u>(6,098,627)</u>	<u>5,780,917</u>
Budgetary Fund Balance, June 30	<u>\$ 9,034,583</u>	<u>\$ 12,567,494</u>	<u>\$ 13,067,726</u>	<u>\$ 3,532,911</u>	<u>\$ 500,232</u>

**Budgeting** – Oklahoma statutes required that the District Board of Education approve a budget within thirty days of the beginning of each fiscal year. The school district’s budget is to contain a budget summary accompanied by a minimum of the following for each fund in tabular form:

1. Actual revenues and expenditures for the immediate prior fiscal year.
2. Revenues and expenditures for the current fiscal year as shown by the budget as amended.
3. Estimated revenues and expenditures for the budget year.

A public hearing on the proposed budget must be held within forty-five days preceding the beginning of the budgetary year.

The District shall amend the original budget after June 30 of each year after the June financial activity has been recorded, the annual Foundation and Salary Incentive Aid allocation has been released, and the property tax valuations have been certified for all affected counties with the District.



**Norman Independent School District No. 29**  
 Cleveland County, Oklahoma  
 Schedule of District's Proportionate Share of the Net Pension Liability  
 for Oklahoma Teachers Retirement System – Pension  
 Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	1.4511%	1.6330%	1.6576%	1.4502%	1.9455%	1.6095%	1.5677%	1.5504%	1.5360%
District's proportionate share of the net pension liability	\$ 119,128,446	\$ 83,427,520	\$ 157,313,491	\$ 95,976,887	\$ 117,585,659	\$ 106,571,969	\$ 130,833,885	\$ 94,153,782	\$ 82,635,807
District's covered payroll	\$ 88,938,463	\$ 86,977,748	\$ 82,314,554	\$ 80,395,676	\$ 70,488,085	\$ 66,718,456	\$ 64,343,044	\$ 64,127,709	\$ 61,128,259
District's proportionate share of the net pension liability as a percentage of its covered payroll	134%	96%	191%	119%	167%	160%	203%	147%	135%
Plan fiduciary net position as a percentage of the total	70.05%	80.80%	63.37%	71.58%	72.74%	69.32%	62.24%	70.31%	72.43%

**Notes to Schedule:**

10-year data is not yet available.

In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding year.

The Plan's net position liability increased between 2015 and 2016 and again between 2018 and 2021 due to changes in assumptions adopted by the System's Board.

The most notable changes during fiscal year 2021 were:

The decrease of the inflation rate from 2.5% to 2.25%

The decrease of the estimated investment rate of return from 7.5% to 7.0%

Changes to retirement age tables based on the five year experience study for the period ending June 30, 2019.

Mortality rate tables were updated to the 2020 GRS Southwest Region Teacher Mortality Table for males and females.

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Schedule of District's Pension Contributions to Oklahoma Teachers Retirement System  
Year Ended June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>*2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 8,845,029	\$ 8,648,679	\$ 8,138,330	\$ 7,962,064	\$ 7,944,342	\$ 6,586,047	\$ 6,586,047	\$ 6,660,331	\$ 6,468,241
Contributions in relation to the contractually required contribution	<u>8,845,029</u>	<u>8,648,679</u>	<u>8,138,330</u>	<u>7,962,064</u>	<u>7,944,342</u>	<u>6,586,047</u>	<u>6,586,047</u>	<u>6,660,331</u>	<u>6,468,241</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 88,938,463	\$ 86,977,748	\$ 82,314,554	\$ 80,395,676	\$ 70,488,085	\$ 66,718,456	\$ 64,343,044	\$ 64,127,709	\$ 61,128,259
Contributions as a percentage of covered payroll	9.95%	9.94%	9.89%	9.90%	11.27%	9.87%	10.24%	10.39%	10.58%

**Notes to Schedule:**

10-year data is not yet available.

\*Amount of contributions reduced by \$74,284 due to implementation of GASB Statement No. 75. Amounts prior to 2017 have not been determined.

**Norman Independent School District No. 29**  
 Cleveland County, Oklahoma  
 Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)  
 Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018
District's proportion of the net OPEB liability (asset)	1.6330%	1.6330%	1.6576%	1.4502%	1.9455%	1.6095%
District's proportionate share of the net OPEB liability (asset)	\$ (714,303)	\$ (2,079,973)	\$ (164,217)	\$ (896,746)	\$ (1,257,268)	\$ (717,757)
District's covered payroll	\$ 88,938,463	\$ 86,977,748	\$ 82,314,554	\$ 80,395,676	\$ 70,488,085	\$ 66,718,456
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-0.80%	-2.39%	-0.20%	-1.12%	-1.78%	-1.08%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	110.31%	129.91%	102.30%	115.07%	115.41%	110.40%

**Notes to Schedule:**

In accordance with GASB Statement No. 75, the amounts presented for each fiscal year were determined as of June 30 of the preceding year.

10-year data is not yet available.

**Norman Independent School District No. 29**  
 Cleveland County, Oklahoma  
 Schedule of District's OPEB Contributions to Oklahoma Teachers Retirement System  
 Year Ended June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 98,091	\$ 105,600	\$ 15,300	\$ 14,969	\$ 53,227	\$ 109,299	\$ 104,574
Contributions in relation to the contractually required contribution	<u>98,091</u>	<u>105,600</u>	<u>15,300</u>	<u>14,969</u>	<u>53,227</u>	<u>109,299</u>	<u>104,574</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 88,938,463	\$ 86,977,748	\$ 82,314,554	\$ 80,395,676	\$ 70,488,085	\$ 66,718,456	\$ 64,343,044
Contributions as a percentage of covered payroll	0.11%	0.12%	0.02%	0.02%	0.08%	0.16%	0.16%

Information to present a 10-year schedule is not yet available.



Financial Statements  
Other Supplementary Information  
June 30, 2023

**Norman Independent School District  
No. 29**

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Combining Balance Sheet – Other Governmental Funds  
June 30, 2023

	<u>Building Fund</u>	<u>Child Nutrition</u>	<u>Gifts</u>	<u>Student Activity</u>	<u>Workers' Compensation</u>	<u>Total Capital Project Funds</u>	<u>Total Other Governmental Funds</u>
<b>Assets</b>							
Pooled Cash and Investments	\$ 5,334,778	\$ 2,412,001	\$ 260,692	\$ 2,403,206	\$ 40,966	\$ 14,306,439	\$ 24,758,082
Property Taxes Receivable	437,644	-	-	-	-	-	437,644
Due from Other Governments	-	711,007	-	-	-	-	711,007
Other Receivables	22,783	322,663	-	46,194	-	-	391,640
<b>Total Assets</b>	<u>\$ 5,795,205</u>	<u>\$ 3,445,671</u>	<u>\$ 260,692</u>	<u>\$ 2,449,400</u>	<u>\$ 40,966</u>	<u>\$ 14,306,439</u>	<u>\$ 26,298,373</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>							
<b>Liabilities</b>							
Accounts Payable and Accrued Liabilities	\$ 73,397	\$ 207,122	\$ -	\$ 119,986	\$ -	\$ 475,403	\$ 875,908
Unearned Revenue	-	134,602	-	-	-	-	134,602
<b>Total Liabilities</b>	<u>73,397</u>	<u>341,724</u>	<u>-</u>	<u>119,986</u>	<u>-</u>	<u>475,403</u>	<u>1,010,510</u>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue - taxes	412,297	-	-	-	-	-	412,297
Unavailable revenue - other	-	295,495	-	-	-	-	295,495
<b>Total Deferred Inflow of Resources</b>	<u>412,297</u>	<u>295,495</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>707,792</u>
<b>Fund Balances</b>							
Restricted	5,309,511	2,808,452	260,692	2,329,414	40,966	13,831,036	24,580,071
<b>Fund Balances, End of Year</b>	<u>5,309,511</u>	<u>2,808,452</u>	<u>260,692</u>	<u>2,329,414</u>	<u>40,966</u>	<u>13,831,036</u>	<u>24,580,071</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 5,795,205</u>	<u>\$ 3,445,671</u>	<u>\$ 260,692</u>	<u>\$ 2,449,400</u>	<u>\$ 40,966</u>	<u>\$ 14,306,439</u>	<u>\$ 26,298,373</u>

Norman Independent School District No. 29

Cleveland County, Oklahoma

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Other Governmental Funds

Year Ended June 30, 2023

	Building Fund	Child Nutrition	Gifts	Student Activity	Workers' Compensation	Total Capital Project Funds	Total Other Governmental Funds
<b>Revenues</b>							
Property Taxes	\$ 6,158,977	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,158,977
Interest	118,982	100,907	7,663	101,396	1,479	576,398	906,825
State Revenue	-	65,867	-	-	-	-	65,867
Federal Revenue	-	4,379,836	-	-	-	-	4,379,836
Other	-	1,656,527	193,961	2,943,998	-	-	4,794,486
<b>Total Revenues</b>	<b>6,277,959</b>	<b>6,203,137</b>	<b>201,624</b>	<b>3,045,394</b>	<b>1,479</b>	<b>576,398</b>	<b>16,305,991</b>
<b>Expenditures</b>							
Instruction	-	-	2,619	833,031	-	1,434,818	2,270,468
Support Services	3,707,774	186,766	16,202	1,784,393	-	2,066,822	7,761,957
Non-Instruction Services	-	6,609,548	-	559,777	-	-	7,169,325
Capital Outlays	4,750	19,365	-	53,779	-	8,546,195	8,624,089
Debt Service							
Interest	-	-	-	-	-	-	-
Principal	-	-	-	-	-	180,733	180,733
<b>Total Expenditures</b>	<b>3,712,524</b>	<b>6,815,679</b>	<b>18,821</b>	<b>3,230,980</b>	<b>-</b>	<b>12,228,568</b>	<b>26,006,572</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>2,565,435</b>	<b>(612,542)</b>	<b>182,803</b>	<b>(185,586)</b>	<b>1,479</b>	<b>(11,652,170)</b>	<b>(9,700,581)</b>
<b>Other Financing Sources (Uses)</b>							
Transfers In	1,082,008	-	-	-	-	-	1,082,008
Transfers Out	-	-	-	-	-	-	-
Other Financing Sources	-	-	-	-	-	570,721	570,721
Proceeds of Bonds	-	-	-	-	-	9,060,000	9,060,000
<b>Total Other Financing Sources (Uses)</b>	<b>1,082,008</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,630,721</b>	<b>10,712,729</b>
<b>Net Change in Fund Balances</b>	<b>3,647,443</b>	<b>(612,542)</b>	<b>182,803</b>	<b>(185,586)</b>	<b>1,479</b>	<b>(2,021,449)</b>	<b>1,012,148</b>
<b>Beginning Fund Balances</b>	<b>1,662,068</b>	<b>3,420,994</b>	<b>77,889</b>	<b>2,515,000</b>	<b>39,487</b>	<b>15,852,485</b>	<b>23,567,923</b>
<b>Ending Fund Balances</b>	<b>\$ 5,309,511</b>	<b>\$ 2,808,452</b>	<b>\$ 260,692</b>	<b>\$ 2,329,414</b>	<b>\$ 40,966</b>	<b>\$ 13,831,036</b>	<b>\$ 24,580,071</b>

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Combining Balance Sheet – Capital Project Funds  
June 30, 2023

	2014 Bond Fund	2015 Bond Fund	2016 Bond Fund	2017 Bond Fund	2018 Bond Fund	2019 Bond Fund	2020 Bond Fund	2021 Bond Fund	2022 Bond Fund	2023 Bond Fund	Total Capital Project Funds
<b>Assets</b>											
Pooled Cash and Investments	\$ 88,885	\$ 20,825	\$ 63,577	\$ 156,500	\$ 460,375	\$ 1,806,806	\$ 155,740	\$ 4,432,690	\$ 3,709,880	\$ 3,411,161	\$ 14,306,439
Total Assets	<u>\$ 88,885</u>	<u>\$ 20,825</u>	<u>\$ 63,577</u>	<u>\$ 156,500</u>	<u>\$ 460,375</u>	<u>\$ 1,806,806</u>	<u>\$ 155,740</u>	<u>\$ 4,432,690</u>	<u>\$ 3,709,880</u>	<u>\$ 3,411,161</u>	<u>\$ 14,306,439</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>											
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,347	\$ 102,694	\$ 128,550	\$ 183,917	\$ 47,895	\$ 475,403
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,347</u>	<u>102,694</u>	<u>128,550</u>	<u>183,917</u>	<u>47,895</u>	<u>475,403</u>
Fund Balances Restricted	<u>88,885</u>	<u>20,825</u>	<u>63,577</u>	<u>156,500</u>	<u>460,375</u>	<u>1,794,459</u>	<u>53,046</u>	<u>4,304,140</u>	<u>3,525,963</u>	<u>3,363,266</u>	<u>13,831,036</u>
Fund Balances, End of Year	<u>88,885</u>	<u>20,825</u>	<u>63,577</u>	<u>156,500</u>	<u>460,375</u>	<u>1,794,459</u>	<u>53,046</u>	<u>4,304,140</u>	<u>3,525,963</u>	<u>3,363,266</u>	<u>13,831,036</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 88,885</u>	<u>\$ 20,825</u>	<u>\$ 63,577</u>	<u>\$ 156,500</u>	<u>\$ 460,375</u>	<u>\$ 1,806,806</u>	<u>\$ 155,740</u>	<u>\$ 4,432,690</u>	<u>\$ 3,709,880</u>	<u>\$ 3,411,161</u>	<u>\$ 14,306,439</u>



Norman Independent School District No. 29

Cleveland County, Oklahoma

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Capital Project Funds

Year Ended June 30, 2023

	2014 Bond Fund	2015 Bond Fund	2016 Bond Fund	2017 Bond Fund	2018 Bond Fund	2019 Bond Fund	2020 Bond Fund	2021 Bond Fund	2022 Bond Fund	2023 Bond Fund	Total Capital Project Funds
<b>Revenues</b>											
Interest	\$ 3,210	\$ 752	\$ 2,295	\$ 5,651	\$ 16,727	\$ 73,496	\$ 3,383	\$ 175,445	\$ 179,278	\$ 116,161	\$ 576,398
<b>Total Revenues</b>	<u>3,210</u>	<u>752</u>	<u>2,295</u>	<u>5,651</u>	<u>16,727</u>	<u>73,496</u>	<u>3,383</u>	<u>175,445</u>	<u>179,278</u>	<u>116,161</u>	<u>576,398</u>
<b>Expenditures</b>											
Instruction	-	-	-	-	-	13,853	34,846	84,540	1,301,579	-	1,434,818
Support Services	-	-	-	-	10,381	357,672	282,911	248,495	1,119,468	47,895	2,066,822
Capital outlays	-	-	-	-	-	178,946	164,152	818,656	1,619,441	5,765,000	8,546,195
Debt Service											
Interest	-	-	-	-	-	-	-	180,733	-	-	180,733
Principal	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,381</u>	<u>550,471</u>	<u>481,909</u>	<u>1,332,424</u>	<u>4,040,488</u>	<u>5,812,895</u>	<u>12,228,568</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>3,210</u>	<u>752</u>	<u>2,295</u>	<u>5,651</u>	<u>6,346</u>	<u>(476,975)</u>	<u>(478,526)</u>	<u>(1,156,979)</u>	<u>(3,861,210)</u>	<u>(5,696,734)</u>	<u>(11,652,170)</u>
<b>Other Financing Sources (Uses)</b>											
Proceeds of Bonds	-	-	-	-	-	-	-	-	-	9,060,000	9,060,000
Other Financing Sources	-	-	-	-	-	-	-	570,721	-	-	570,721
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>570,721</u>	<u>-</u>	<u>9,060,000</u>	<u>9,630,721</u>
<b>Net Change in Fund Balances</b>	<u>3,210</u>	<u>752</u>	<u>2,295</u>	<u>5,651</u>	<u>6,346</u>	<u>(476,975)</u>	<u>(478,526)</u>	<u>(586,258)</u>	<u>(3,861,210)</u>	<u>3,363,266</u>	<u>(2,021,449)</u>
<b>Beginning Fund Balances</b>	<u>85,675</u>	<u>20,073</u>	<u>61,282</u>	<u>150,849</u>	<u>454,029</u>	<u>2,271,434</u>	<u>531,572</u>	<u>4,890,398</u>	<u>7,387,173</u>	<u>-</u>	<u>15,852,485</u>
<b>Ending Fund Balances</b>	<u>\$ 88,885</u>	<u>\$ 20,825</u>	<u>\$ 63,577</u>	<u>\$ 156,500</u>	<u>\$ 460,375</u>	<u>\$ 1,794,459</u>	<u>\$ 53,046</u>	<u>\$ 4,304,140</u>	<u>\$ 3,525,963</u>	<u>\$ 3,363,266</u>	<u>\$ 13,831,036</u>

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Budgetary Comparison Schedule – Building Fund (Unaudited)  
Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts GAAP Basis	Variance with Final Budget Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
Budgetary Fund Balance, July 1	\$ 1,640,365	\$ 1,662,068	\$ 1,662,068	\$ 21,703	\$ -
Resources (inflows)					
Property Taxes	6,014,984	6,217,706	6,158,977	202,722	(58,729)
Interest	2,111	14,500	118,982	12,389	104,482
State Revenue	1	-	-	(1)	-
Other	20,000	240,000	1,082,008	220,000	842,008
Amounts Available for Appropriation	<u>7,677,461</u>	<u>8,134,274</u>	<u>9,022,035</u>	<u>456,813</u>	<u>887,761</u>
Charges to Appropriations (outflows)					
Support Services	6,226,970	4,313,591	3,707,774	1,913,379	605,817
Capital Outlays	12,000	9,000	4,750	3,000	4,250
Total Charges to Appropriations	<u>6,238,970</u>	<u>4,322,591</u>	<u>3,712,524</u>	<u>1,916,379</u>	<u>610,067</u>
Budgetary Fund Balance, June 30	<u>\$ 1,438,491</u>	<u>\$ 3,811,683</u>	<u>\$ 5,309,511</u>	<u>\$ 2,373,192</u>	<u>\$ 1,497,828</u>

Norman Independent School District No. 29  
 Cleveland County, Oklahoma  
 Budgetary Comparison Schedule – Child Nutrition (Unaudited)  
 Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual Amounts GAAP Basis	<u>Variance with Final Budget Positive (Negative)</u>	
	<u>Original</u>	<u>Final</u>		<u>Original to Final</u>	<u>Final to Actual</u>
Budgetary Fund Balance, July 1	\$ 2,161,650	\$ 3,420,994	\$ 3,420,994	\$ 1,259,344	\$ -
Resources (inflows)					
Interest	2,000	10,000	100,907	8,000	90,907
Local Revenue	1,790,212	2,005,000	1,656,527	214,788	(348,473)
State Revenue	57,685	65,867	65,867	8,182	-
Federal Revenue	4,013,665	4,482,438	4,379,836	468,773	(102,602)
Amounts Available for Appropriation	<u>8,025,212</u>	<u>9,984,299</u>	<u>9,624,131</u>	<u>1,959,087</u>	<u>(360,168)</u>
Charges to Appropriations (outflows)					
Non-instruction services	5,800,000	9,082,407	6,609,548	(3,282,407)	2,472,859
Capital Outlays	203,540	425	19,365	203,115	(18,940)
Other Outlays	-	-	186,766	-	(186,766)
Total Charges to Appropriations	<u>6,003,540</u>	<u>9,082,832</u>	<u>6,815,679</u>	<u>(3,079,292)</u>	<u>2,267,153</u>
Budgetary Fund Balance, June 30	<u>\$ 2,021,672</u>	<u>\$ 901,467</u>	<u>\$ 2,808,452</u>	<u>\$ (1,120,205)</u>	<u>\$ 1,906,985</u>

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Combining Schedule of Changes in Assets and Liabilities – All Activity Funds  
Year Ended June 30, 2023

Assets	Ending Balance As of June 30, 2022	Total Receipts	Total Disbursements	Ending Balance As of June 30, 2023
Assets				
Football	\$ 53,390	\$ 82,308	\$ 83,496	\$ 52,202
Boys Basketball	18,128	39,602	41,796	15,934
Girls Basketball	662	25,551	25,147	1,066
Boys Swimming	2,653	155	155	2,653
Baseball	-	26,297	26,297	-
FastPitch Softball	3,315	23,451	20,453	6,313
Wrestling	440	17,071	17,071	440
Boys Tennis	976	3,606	4,216	366
Girls Tennis	1,065	4,525	5,135	455
Slowpitch Softball	3,775	7,223	9,111	1,887
Girls Cross Country	737	4,958	4,958	737
Boys Golf	2,566	19,597	21,148	1,015
Boys Cross Country	818	6,951	7,445	324
Boys Soccer	1,735	19,893	19,893	1,735
Volleyball	8,667	27,250	26,826	9,091
Boys Track	9,392	33,672	30,690	12,374
Girls Track	6,214	13,581	14,315	5,480
General Athletics	70,453	159,889	201,356	28,986
ASCE	19,082	34,497	37,238	16,341
Girls Golf	1,604	7,443	8,123	924
Girls Soccer	7,583	12,770	13,295	7,058
Girls Swimming	1,595	52	52	1,595
AP Tests	59,935	146,902	88,563	118,274
Art	40,640	1,560	21,202	20,998
Art in Education	34	-	-	34
Coke	137,302	700	50,186	87,816
Band	19,475	46,690	47,548	18,617
Asian Culture	-	455	-	455
Snack Shack	43,219	32,675	37,345	38,549
Save Darfur Club	22	-	-	22
Consumer Education	28	-	-	28
Cheerleaders	33,361	31,503	34,467	30,397
Business	115	-	-	115
Tiger Crew	702	2,646	2,980	368
Freshmen	11	83	95	(1)
Ag Ed (FFA)	42,134	66,417	66,038	42,513
Camp Turning Point	4,927	569	2,851	2,645
Clearing Account	900	-	-	900
Book Club	75	-	-	75
Book Fair	18,327	12,476	11,358	19,445
Drama Club	7,139	6,390	3,218	10,311
Drug Free/Chemical Depend	1,141	-	-	1,141
Black Stud Assoc/Stomp	289	2,292	771	1,810
Pack Shack/Link Crew	43,214	(34,870)	8,084	260
OK Youth & Government	185	-	-	185
English	319	-	-	319
Environmental Club	283	-	-	283

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Combining Schedule of Changes in Assets and Liabilities – All Activity Funds  
Year Ended June 30, 2023

	Ending Balance As of <u>June 30, 2022</u>	Total <u>Receipts</u>	Total <u>Disbursements</u>	Ending Balance As of <u>June 30, 2023</u>
Transition Program	\$ 1,026	\$ -	\$ -	\$ 1,026
Equip/Repair/Furn	229	-	-	229
Explo	482	-	-	482
Enrichment	493	149	643	(1)
Faculty Services	2,117	835	-	2,952
African Amer Assoc	2,369	461	510	2,320
Field Trips	57,391	44,037	57,379	44,049
Parking Decals	27,012	7,792	10,404	24,400
G.E.M.S.	2,647	159	939	1,867
Foreign Language-All	659	-	-	659
French	1,147	476	431	1,192
Principal	238,847	382,326	290,814	330,359
Ecology Club	47	-	-	47
Gifted and Talented	2,759	4,015	4,167	2,607
Hispanic & Latino Students	955	548	1,082	421
Sophomore	967	46	-	1,013
5th Grade	126	4,880	5,614	(608)
Junior	3,402	27	-	3,429
6th Grade	432	4,254	4,414	272
7th Grade	4,234	2,689	5,762	1,161
8th Grade	7,020	3,049	4,510	5,559
Grants	2	-	-	2
FACS	2,863	2,263	1,902	3,224
Senior	8,594	(75)	3,789	4,730
Honor Society	10,468	6,537	5,781	11,224
DECA	40,327	199,119	183,128	56,318
Instrumental Music	45,337	96,687	121,269	20,755
Indigent Student Fund	3,704	-	-	3,704
Athletic Trainer	13,415	10,363	5,609	18,169
Independent Living	1,550	-	-	1,550
Spud-North	46,046	230,515	223,331	53,230
Leadership Council	6,770	2,234	430	8,574
Latin	4,892	637	203	5,326
Cultural Diversity	886	-	-	886
Library/Media Center	67,747	87,794	93,745	61,796
Computers	42	120	-	162
FCCLA	2,202	1,435	2,496	1,141
Natl Art Honor Society	1,951	-	-	1,951
Modern Dance Club	16,383	4	-	16,387
Misc Transaction	1,498	-	-	1,498
Model United Nations	38	-	-	38
Mu Alpha Theta	2,271	2,168	2,759	1,680
Music/Drumline	42,184	27,379	36,729	32,834
Newspaper/Journalism	2,738	-	-	2,738
Parenting	78	-	-	78
Orchestra	60,299	53,713	51,869	62,143
Office	705	-	-	705
Memorial Fund	181	-	-	181
Poms	1,250	1,613	1,523	1,340

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Combining Schedule of Changes in Assets and Liabilities – All Activity Funds  
Year Ended June 30, 2023

	Ending Balance As of <u>June 30, 2022</u>	Total <u>Receipts</u>	Total <u>Disbursements</u>	Ending Balance As of <u>June 30, 2023</u>
Physical Education	\$ 1,519	\$ 4,626	\$ 4,626	\$ 1,519
Prof Leave/Development	9,592	100	1,198	8,494
Partners-In-Ed	593	-	-	593
PTA-Student	32,435	88,580	89,583	31,432
Native American Club	6,180	159	129	6,210
Donations	14,285	(3,660)	2,552	8,073
Outdoor Classroom	2,092	(1,000)	-	1,092
Global Awareness	279	(279)	-	-
Service Learning	8,899	5,206	2,291	11,814
Renaissance Program	971	(971)	-	-
PSAT/Guidance Serv	1,642	1,530	1,650	1,522
Prom	36,627	30,799	27,056	40,370
Psychology	204	(204)	-	-
Spanish Nat Honor Society	808	-	-	808
Model Congress	327	(327)	-	-
School Climate	14,222	-	5,214	9,008
Recycling	228	-	-	228
Resource Center Material	(5,037)	8,177	9,157	(6,017)
Fundraiser	42,293	84,563	86,992	39,864
Orange Thumb	484	(109)	-	375
Sat School/Student Int	20	175	64	131
SADD	120	(120)	-	-
Science	593	-	-	593
Social Studies	-	191	-	191
Gay/Straight Alliance	675	-	192	483
Spanish	1,238	1,169	626	1,781
Speech	34,468	51,284	40,427	45,325
Special Ed/Spec Athletes	19,616	3,164	5,714	17,066
Fine Arts	102,954	43,496	107,923	38,527
Student Council/Congress	44,654	60,091	59,057	45,688
Store-School	4	-	-	4
Special Education	613	(175)	-	438
Musicals	8,722	(1,500)	-	7,222
Rotary Inter-ACT	1,537	1,615	410	2,742
Key Club	2,620	(773)	330	1,517
6th Grade Books	609	-	-	609
Theater Art	6,466	3,252	4,184	5,534
Technology	12,696	1,377	1,897	12,176
Vocal Music	32,226	59,209	59,583	31,852
Teen Volun/Parent Outreach	1,519	-	601	918
VRC-Video Resource Center	7,565	40	479	7,126
PR Fund	79	-	-	79
Yearbook	100,043	28,409	19,049	109,403
Vegetarian Club	406	-	-	406
Elem Music/Art	3,280	-	1,299	1,981
Wildcat Memories	100	-	-	100
Life Skills	1,200	-	-	1,200
Young Democrats	1,161	-	-	1,161
Stand For Silence	4	-	-	4

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Combining Schedule of Changes in Assets and Liabilities – All Activity Funds  
Year Ended June 30, 2023

	Ending Balance As of <u>June 30, 2022</u>	Total <u>Receipts</u>	Total <u>Disbursements</u>	Ending Balance As of <u>June 30, 2023</u>
Interior Design	\$ 100	\$ -	\$ -	\$ 100
Botball	10,483	7,539	9,647	8,375
First Grade	89	1,992	1,974	107
Student Assistance Fund	3,299	2,013	3,432	1,880
Sewing	226	-	-	226
Administration	83,196	(10,967)	198	72,031
Sociology	301	-	-	301
Second Grade	-	1,294	768	526
WOW	13,260	12,487	9,394	16,353
Anthology	5,089	850	1,320	4,619
Academic Teams	6,578	5,672	8,504	3,746
Republican Club	423	-	-	423
Third Grade	124	1,428	1,096	456
Dumbledore's Army	735	-	-	735
Transition Center	61	2,762	1,551	1,272
Pre Engineering	7,304	4,250	2,837	8,717
Quidditch Club	135	-	-	135
Chinese Club	570	-	465	105
Logo Royalties	3,337	1,367	-	4,704
NHS Instrument Fund	70	-	-	70
Art Club	80	-	-	80
Step Dance Team	834	148	256	726
Made	1,032	-	-	1,032
Ilearn Fluently	4	-	-	4
Pulling for Root	20	-	-	20
Tech Now	567	-	-	567
Lock In	2,102	(2,000)	-	102
Young Adult Book Club	34	-	-	34
Music Club	260	-	-	260
Future City/History Day	16	-	-	16
Tabletop Gaming Assoc	2,781	-	-	2,781
Hildebrand Scholarship	1,025	-	-	1,025
Big Brothers/Big Sisters	184	-	-	184
Autism	39	-	-	39
Tracks	72	-	-	72
Trust Club	499	-	-	499
Avic	100	-	-	100
Timberwolf Pantry	673	-	-	673
Garden Club	713	-	-	713
German Club	1,612	-	-	1,612
Norman Arts Council	3,501	-	-	3,501
Class of 66 Scholarship	1,750	-	-	1,750
Triathlon Club	2,137	-	-	2,137
Sports Marketing	630	-	-	630
Literacy Magazine	50	-	-	50
6th Grade Lightning Thief	2,913	-	-	2,913
Watch Dogs	310	-	-	310
After School Detention	941	-	-	941
Anime/Cosplay Club	173	-	-	173

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Combining Schedule of Changes in Assets and Liabilities – All Activity Funds  
Year Ended June 30, 2023

	Ending Balance As of <u>June 30, 2022</u>	Total <u>Receipts</u>	Total <u>Disbursements</u>	Ending Balance As of <u>June 30, 2023</u>
Counselor Donation	\$ 83	\$ -	\$ -	\$ 83
Joe Lawson Memorial Capstone	952 12	- 104	- 116	952 -
Irving Edition	517	918	1,081	354
Fine Arts Sponsorships	558	-	-	558
Tigers Helping Tigers	1,864	2,000	320	3,544
Christians on Campus	149	(149)	-	-
Breakfast Club	230	-	-	230
Anti Bullying Club	122	-	-	122
Technology Student Assoc	23,638	6,544	5,067	25,115
NHS Rocketry	20	-	-	20
Women's Advocacy	434	770	58	1,146
Ritchey Revocable Trust	569	-	-	569
Ethics Club	400	-	-	400
Teacher Support	600	-	-	600
Hatch Donations	1,056	-	-	1,056
Summer Band Camp	4,673	7,022	11,695	-
Wednesday Warriors	188	-	-	188
Thrift Club	236	-	-	236
American Sign Language	141	-	-	141
Moch Donation	10	(10)	-	-
Picture Commission	162,634	42,898	49,978	155,554
Solar Panels	12,368	582	75	12,875
Sponsorships	22,831	(1,331)	21,500	-
Girls Group	802	-	-	802
SRO Donation	724	-	-	724
Norman Water Club	51	2,076	2,127	-
Kindness Club	170	415	277	308
Running Club	591	200	479	312
Project Linus	380	-	316	64
Rho Kappa	270	398	261	407
Asian Amer Pac Island	-	888	642	246
Concessions	1,171	217,425	217,040	1,556
School Stores	4,628	54,254	54,254	4,628
Celebration of Excellence	15,365	41,379	56,744	-
Vending	1,196	48,224	46,679	2,741
Mathematica	40,861	(1,456)	18,097	21,308
Concessions-Athletics	56,796	31,490	48,652	39,634
Astronomy	-	2,560	2,560	-
Travel Club	1,128	-	-	1,128
Latine Heritage	-	310	121	189
Supt's Activity Fund	2,691	16,634	1,740	17,585
NN Courtyard	200	1	75	126
Concessions-District	32,024	4,229	-	36,253
Fourth Grade	-	743	534	209
Disc Golf	-	1,232	627	605
Living Classroom Zoo	-	1,500	814	686
E-Sports	-	315	200	115
Kindergarten	-	1,120	894	226



Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Combining Schedule of Changes in Assets and Liabilities – All Activity Funds  
Year Ended June 30, 2023

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	Ending Balance As of June 30, 2022	Total Receipts	Total Disbursements	Ending Balance As of June 30, 2023
Team Terra	\$ -	\$ 100	\$ 87	\$ 13
Rounding	(5)	1	(9)	5
Total assets	<u>\$ 2,515,000</u>	<u>\$ 3,045,394</u>	<u>\$ 3,230,980</u>	<u>\$ 2,329,414</u>
Liabilities				
Due to Student Groups	<u>\$ 2,515,000</u>	<u>\$ 3,045,394</u>	<u>\$ 3,230,980</u>	<u>\$ 2,329,414</u>
Total liabilities	<u>\$ 2,515,000</u>	<u>\$ 3,045,394</u>	<u>\$ 3,230,980</u>	<u>\$ 2,329,414</u>

**Note 1 - Basis of Presentation**

The above schedule and format is required by the Oklahoma State Department of Education and is not intended to represent a financial statement in accordance with generally accepted accounting principles.

**Norman Independent School District No. 29**  
 Cleveland County, Oklahoma  
 Schedule of Statutory, Fidelity, and Honesty Bonds (Unaudited)  
 Year Ended June 30, 2023

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<b>NAME</b>	<b>TYPE</b>	<b>COMPANY</b>	<b>BOND #</b>	<b>AMOUNT</b>	<b>BEG DATE</b>	<b>END DATE</b>
Dr. Nick Migliorino	Public Official Bond	Travelers Casualty and Surety Company	106784796	\$100,000	7/1/2022	6/3/2023
Brenda R. O'Brian	Public Official Bond	Travelers Casualty and Surety Company	105306354	\$100,000	9/16/2022	9/15/2023
Janine Anne Warren	Public Official Bond	Hartford Fire Insurance Company	38BSBCJ1584	\$100,000	11/16/2022	11/16/2023
Norman Public Schools	Commercial Crime Policy	St Paul Travelers	104343265	\$100,000	7/1/2004	Until Cancelled

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Deferred Revenue (Accounts Receivable) July 01, 2022	Federal Grant Receipts	Federal Grant Expenditures	Deferred Revenue (Accounts Receivable) June 30, 2023
U.S. Department of Education						
Direct Programs						
Indian Education, Grants to Local Educational Agencies	84.060	561	\$ (295,435)	\$ 556,974	\$ 461,482	\$ (199,943)
Passed Through Oklahoma Department of Career and Technology Education Vocational Education - Basic Grant to States	84.048	421, 424, 426	(62,944)	132,174	148,966	(79,736)
Passed Through Oklahoma State Department of Education						
Title I, Improving Basic Programs	84.010	511	(697,812)	2,200,507	2,160,738	(658,043)
Title I, Part A Neglected	84.010	518	(4,506)	20,624	20,867	(4,749)
Title I			(702,318)	2,221,131	2,181,605	(662,792)
Special Education - Grants to States	84.027	613, 615, 621, 625	(1,496,843)	2,612,580	3,072,303	(1,956,566)
COVID 19 Special Education (ARP Flowthrough)	84.027X	628, 629, 643	(123,406)	224,490	363,462	(262,378)
Special Education - Preschool Grants	84.173	641	(21,838)	65,267	49,631	(6,202)
Special Education Cluster			(1,642,087)	2,902,337	3,485,396	(2,225,146)
Title II, Part A Teacher and Principal Training and Recruiting Fund	84.367	541	(86,715)	329,496	373,205	(130,424)
Title III Part A English Language Acquisition	84.365	571, 572	(24,699)	96,225	117,162	(45,636)
Title IV Student Support and Enrichment Program	84.424A	552	(132)	204,460	205,454	(1,126)
Adult Basic Education	84.002	731, 733	(31,127)	31,127	-	-
Title I Neglected/Delinquent	84.013	532	(21,819)	110,890	147,938	(58,867)
Jobs Training-OJT	84.126	456	-	50,934	51,534	(600)

See Notes to the Schedule of Expenditures of Federal Awards.

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Deferred Revenue (Accounts Receivable) July 01, 2022	Federal Grant Receipts	Federal Grant Expenditures	Deferred Revenue (Accounts Receivable) June 30, 2023
COVID-19 Education Stabilization Fund (ESF) Emergency Relief Fund (ESSER)						
GEER-CARES State Level	84.425C	721	-	158	158	-
School Counselor Corps	84.425U	722	(55,914)	223,688	180,256	(12,482)
Student Teacher Stipend	84.425U	725	-	57,717	57,717	-
OK Science of Reading	84.425U	726	-	14,191	14,191	-
ESSER/CARES Act-COVID	84.425D	788	(987)	1,364	377	-
ESSER II-COVID	84.425D	793	(25,211)	3,116,698	5,162,543	(2,071,056)
American Rescue Plan-ESSER III	84.425U	795	(467,084)	1,549,190	3,465,467	(2,383,361)
ARP-ESSER III Homeless	84.425U	796	(32)	13,198	19,318	(6,152)
ARP Homeless II	84.425U	797	-	11,217	13,582	(2,365)
Total ESF			<u>(549,228)</u>	<u>4,987,421</u>	<u>8,913,609</u>	<u>(4,475,416)</u>
 Total U.S. Department of Education			<u>(3,416,504)</u>	<u>11,623,169</u>	<u>16,086,351</u>	<u>(7,879,686)</u>
U.S. Department of the Interior						
Direct Programs						
Indian Education - Assistance to Schools						
Johnson O'Malley Program (477 cluster)	15.130	563	-	33,739	33,739	-
Total U.S. Department of the Interior			<u>-</u>	<u>33,739</u>	<u>33,739</u>	<u>-</u>
Federal Communications Commission						
Passed through the Oklahoma State Department of Education						
Emergency Connectivity Fund Program	32.009	774	(835,068)	794,955	-	(40,113)
Total Federal Communications Commission			<u>(835,068)</u>	<u>794,955</u>	<u>-</u>	<u>(40,113)</u>

See Notes to the Schedule of Expenditures of Federal Awards.

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Deferred Revenue (Accounts Receivable) July 01, 2022	Federal Grant Receipts	Federal Grant Expenditures	Deferred Revenue (Accounts Receivable) June 30, 2023
U.S. Department of Agriculture						
Passed through the Oklahoma State Department of Education						
Child Nutrition Cluster						
Breakfast Program - cash assistance	10.553	764	(33,343)	705,504	799,156	(126,995)
Lunch Program - cash assistance	10.555	759/763	(79,684)	3,022,960	3,451,113	(507,837)
Lunch Program - commodities	10.555	763	-	447,002	447,002	-
Summer Food Service - cash assistance	10.559	766	-	47,444	123,618	(76,174)
			<u>(113,027)</u>	<u>4,222,910</u>	<u>4,820,889</u>	<u>(711,006)</u>
Child Nutrition Cluster						
P-EBT Program	10.649	760	-	5,950	5,950	-
Total U.S. Department of Agriculture			<u>(113,027)</u>	<u>4,228,860</u>	<u>4,826,839</u>	<u>(711,006)</u>
Department of Health and Human Services						
Passed through the Oklahoma State Department of Education						
Block Grant for Prevention and Treatment of Substance Abuse	93.959	1167	-	205,427	205,427	-
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	723	(476,432)	1,454,149	1,178,332	(200,615)
Total Department of Health and Human Services			<u>(476,432)</u>	<u>1,659,576</u>	<u>1,383,759</u>	<u>(200,615)</u>
Total Federal Financial Assistance			<u>\$ (4,841,031)</u>	<u>\$ 18,340,299</u>	<u>\$ 22,330,688</u>	<u>\$ (8,831,420)</u>

See Notes to the Schedule of Expenditures of Federal Awards.

**Note 1 – Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the Norman Independent School District No. 29 (the District) under programs of the federal government for the year ended June 30, 2023. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or fund balance of the District.

**Note 2 – Significant Accounting Policies**

Expenditures reported in the schedule are reported on the modified accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

No federal financial assistance has been provided to a subrecipient.

**Note 3 – Indirect Cost Rate**

The Organization has not elected to use the 10% de minimis cost rate.

**Note 4 – Food Donation**

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. At June 30, 2023, the District had no food commodities in inventory.



**Independent Auditor’s Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards***

To the Board of Education  
Norman Independent School District No. 29  
Norman, Oklahoma

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Norman Independent School District No. 29 (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated January 16, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency described as 2023-001 in the accompanying schedule of findings and questioned costs to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described as 2023-002 in the accompanying schedule of findings and questioned costs to be a significant deficiency.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2023-002.

### **Norman Independent School District No. 29's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Oklahoma City, Oklahoma  
January 16, 2024





**Independent Auditor’s Report on Compliance for Each Major Federal Program and  
Report on Internal Control Over Compliance Required by the Uniform Guidance**

To the Board of Education  
Norman Independent School District No. 29  
Norman, Oklahoma

**Report on Compliance for Each Major Federal Program**

***Qualified and Unmodified Opinions***

We have audited Norman Independent School District No. 29’s (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District’s major federal programs for the year ended June 30, 2023. The District’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

***Qualified Opinion on Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)***

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on Epidemiology and Laboratory Capacity for Infectious Diseases for the year ended June 30, 2023.

***Unmodified Opinion on Each of the Other Major Federal Programs***

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2023.

***Basis for Qualified and Unmodified Opinions***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

*Matter Giving Rise to Qualified Opinion on Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)*

As described in the accompanying schedule of findings and questioned costs, the District did not comply with requirements regarding Assistance Listing No. 93.323, Epidemiology and Laboratory Capacity for Infectious Diseases as described in finding number 2023-003 for Procurement. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to that program.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the District’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Other Matters**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District’s response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District’s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-003 to be a material weakness.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Eide Bailly LLP*

Oklahoma City, Oklahoma  
January 16, 2024

Norman Independent School District No. 29  
 Cleveland County, Oklahoma  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2023

**Section I – Summary of Auditor’s Results**

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weaknesses identified Yes

Significant deficiencies identified not considered to be material weaknesses Yes

Noncompliance material to financial statements noted? Yes

Federal Awards

Internal control over major programs:

Material weaknesses identified Yes

Significant deficiencies identified not considered to be material weaknesses None reported

Type of auditor's report issued on compliance for major programs

Unmodified - Special Education Cluster & COVID-19 Education Stabilization Fund

Qualified - COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:

Yes

Identification of major programs:

Name of Federal Program or Cluster

Federal Financial Assistance Listing

COVID-19 Education Stabilization Fund (ESF) 84.425C, 84.425D, 84.425U

COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) 93.323

Special Education Cluster 84.027, 84.027X, 84.173

Dollar threshold used to distinguish between Type A and Type B programs \$ 750,000

Auditee qualified as low-risk auditee No

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**Section II – Financial Statement Findings**

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**2023-001 Material Adjustments, including Restatement  
Material Weakness in Internal Controls over Financial Reporting**

Criteria:	Controls over complete year-end financial reporting process should be in place. Controls should be in place to record all amounts in accordance with generally accepted accounting principles.
Condition:	<p>The District does have procedures in place for the preparation of the fund financial statements and government wide financial statements and related disclosures as required by generally accepted accounting principles.</p> <p>However, certain adjustments were noted in the financial statements:</p> <ul style="list-style-type: none"><li>• Certain capital assets required beginning balance adjustments were considered necessary.</li></ul>
Cause:	While there are several controls in place to ensure proper presentation in accordance with GAAP certain elements required to properly record all adjustments in accordance with generally accepted accounting principles were not fully implemented.
Effect:	The District is at risk for material misstatements and incomplete or inaccurate financial statements. Further, certain adjustments resulted as part of the audit.

Norman Independent School District No. 29

Cleveland County, Oklahoma  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023

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Recommendation: Certain controls should be put in place to ensure that adjustments are made to properly state financials in accordance with GAAP.

Views of Responsible  
Officials:

- Management does have controls in place for recording financial transactions properly in the fund financial statements.
- Management understands the importance of ensuring that adjustments are made to properly state government-wide financials in accordance with generally accepted accounting principles.
- Management will put additional procedures in place to ensure all elements required to properly record adjustments are followed.

**2023-002 Student Activity funds**  
**Significant Deficiency in Internal Controls over Financial Reporting; Compliance**

Condition: Certain student activity receipts were not properly reconciled prior to the time of deposit to justify that amounts were deposited timely and accurately.

Approximately 35% of deposits tested (14 in our sample of 40) contained an exception. Out of these exceptions 11 did not have proper reconciliation and deposit records to ensure that amounts were properly received by the Financial Secretary and timely deposited. The remaining 3 exceptions were not deposited timely.

Criteria: Oklahoma Statutes Section 70-5-129 related to student activity funds states “deposits subject to the requirements of this section shall be made by the end of the next business day; however, if the deposit for a day totals less than \$100, a school district may accumulate monies required to be deposited into the fund on a daily basis until the total accumulated balance of deposits equals or exceeds \$100...shall deposit accumulated monies not less than one time per week.”

Cause: In some cases, there are some processes that are not in place to ensure that the teacher sponsor receipts were properly received and deposited within the prescribed timeframe determined by state statute.

There were other instances where the original receipt could not be reconciled to the deposit to support whether or not the activity fund receipt followed state statutes.

Norman Independent School District No. 29

Cleveland County, Oklahoma

Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

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Effect: Failure to comply with State law indicating a failure to exercise control over funds received from student activities.

Recommendation: Requirements for daily submission of student activity funds should be monitored for all sites by District administration.

Views of Responsible  
Officials:

The District administration has been communicating these receipt and deposit legal requirements to site staff. Financial secretary turnover and vacancies contributed to this finding. We will continue to work with Principals and financial secretaries, with an emphasis on the importance of proper reconciliation as well as timely depositing of following these legal requirements.



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**Section III – Federal Award Findings and Questioned Costs**

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**2023-003**

**Procurement Process**

**COVID-19 – Epidemiology and Laboratory Capacity for Infectious Diseases (ELC), Assistance Listing #93.323; Passed through the Oklahoma State Department of Education (Fund 723)**

**Compliance Requirement: Procurement, Suspension, and Debarment**

**Material Weakness in Internal Control over Compliance; Material Noncompliance**

Criteria: 2 CFR 200.303(a) establishes that the auditee must establish and maintain effective internal control over the federal award the provides assurance that the entity is managing the federal award in compliance with federal statutes, regulations and conditions of the federal award.

Non-federal entities other than states, including those operating federal programs as subrecipients of states, must follow the procurement standards set out at 2 CFR sections 200.318 through 200.326. They must use their own documented procurement procedures, which reflect applicable state and local laws and regulations, provided that the procurements conform to applicable federal statutes and the procurement requirements identified in 2 CFR Part 200.

Effective May 14, 2022, the non-Federal entity must ensure that all applicable programs comply with section 70914 of the Build America, Buy America (BABA) Act, including through incorporation of a Buy America preference in the terms and conditions of each award with an infrastructure project.

Condition: A vendor that was funded by the ELC program had not gone through the procurement process as required by applicable federal statutes and the procurement requirements identified in 2 CFR Part 200.

Norman Independent School District No. 29

Cleveland County, Oklahoma

Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

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**Cause:** The District has previously funded the vendor using state and local funds rather than federal funds for the past several years. The vendor's service was identified that the use of the funds was an allowable activity and cost, but the vendor had not gone through the required procurement process for federally funded programs.

**Effect:** The District is out of compliance with federal requirements regarding procurement and could be contracting with vendors that are not the most practical for the District.

**Context/Sampling:** Both of the two vendors that met this scope in this program was tested so no sampling was necessary.

**Repeat Finding  
From Prior Year:** No

**Questioned costs:** Funds spent with this vendor in this program were \$486,260.

**Recommendation:** Control procedures should be implemented to ensure that all vendors that are paid with federal funds following the required procurement regulations and ensure federal updates are regularly made to ensure continued compliance with procurement requirements.

**Views of  
Responsible  
Officials:** The District understands the importance of complying with federal procurement requirements and will ensure all staff involved with federal funds are informed of the procurement rules with the addition of the federal compliance procedures to our Fiscal Management Policy.

Norman Independent School District No. 29  
Cleveland County, Oklahoma  
Schedule of Accountant's Professional Liability Insurance Affidavit  
June 30, 2023

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STATE OF OKLAHOMA )  
 ) ss  
County of Oklahoma )

The undersigned auditing firm of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountant's Professional Liability Insurance in accordance with the "Oklahoma Public School Audit law" at the time of audit contract and during the entire audit engagement with Norman Independent School District No. 29 for the audit year 2022-2023.

EIDE BAILLY, LLP

*Vanessa M. Dutton*

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Subscribed and sworn to before me on this 16 day of January, 2024.

*Erika Ackley*  
Notary Public

My commission expires 1/27/27

